

## GENERAL TERMS AND CONDITIONS OF CONTRACT

These General Terms and Conditions of contract for the supply of goods and/or services govern all contracts for the procurement and/or supply of goods and services concluded between Pelfa Group S.r.l., with registered office in Buja (UD), via Europa 4, hereinafter for brevity Pelfa Group S.r.l., and any Customer.

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### WHEREAS

- Pelfa Group S.r.l. is an Italian company that produces plant, machinery, mechanical and electrowelded components to various industrial sectors;
- Pelfa Group S.r.l. has all the technical and organisational capacity and the necessary certifications;
- the Parties agree that all supplies as made by Pelfa Group S.r.l. in favour of the Customer shall be subject to the general terms and conditions indicated below;

Given the above, the Parties now agree the following:

1. The preamble is an integral part of this Agreement as well as any and all Annexes that the Parties intend to link to these General Terms and Conditions of contract.
2. **SUBJECT MATTER OF THE AGREEMENT.** The subject of the Agreement is the supply of everything described in the technical offers, orders and related acceptances from any Party from which they may originate.
3. **LANGUAGE OF THE AGREEMENT.** This Agreement is drafted in Italian and the Italian text is the only one that shall be authentic even if, for the convenience of the Parties, some of the Annexes, for example those with purely technical and scientific content, could be drafted in another language.
4. **CONCLUSION OF THE AGREEMENT.** The Agreement shall be deemed concluded between the Parties when the proposal (to be understood as coming from either Party to the Agreement) is accepted by the other Party.
5. **ORDERS AND DELIVERY OF PRODUCTS.** The delivery terms as agreed between the Parties shall start from the receipt by Pelfa Group S.r.l. of any design and/or technical drawing, or technical or other specification, necessary for the production of the goods the subject of the supply. Pelfa Group S.r.l. shall not be responsible for delays due to failure to deliver and/or late delivery by the Customer of what is described

above. Pelfa Group S.r.l. shall also not be responsible for delays due to the failure to deliver and/or late delivery of the materials to be processed by the Customer or suppliers indicated by it. In this case, the delivery terms indicated by the Parties shall start from the date of receipt of the goods at the premises of Pelfa Group S.r.l. in Buja. Pelfa Group S.r.l. shall also not be liable for any loss or damage to the goods supplied and in no case shall the Customer be exempt from its obligation to pay if loss or damage occurs for reasons not attributable to Pelfa Group S.r.l.. The obligation to deliver the goods covered by the supply contract may be suspended in the event that the Customer fails to comply with its obligation to pay the price.

6. **PRICES.** The prices of the goods supplied are those agreed between the Parties with the conclusion of the Agreement, net of VAT and any other applicable tax.
7. **DELIVERY TERMS.** In the absence of different instructions, the delivery of the the goods supplied shall take place on FCA Pelfa Group terms, with reference to the INCOTERMS® 2020. In the case of deliveries with deadline FCA Pelfa Group S.r.l., the Customer undertakes to appoint a carrier for the collection of the goods that must in every case be picked up within 10 days of receipt of the communication by email with which the availability of the supply is expressed. In the event that the supply is not collected by the Customer within 10 days of the aforementioned communication, the Customer shall pay Pelfa Group S.r.l., as compensation for warehouse storage, an amount equal to 5% of the price of the supply, calculated for each month of storage or fraction thereof. Pelfa Group S.r.l., in the event of failure to collect within the aforementioned period, may also, at its sole discretion, ship the goods covered by the Agreement at the Customer's cost and expense by notifying the Customer of the terms and conditions of transport by email. In case of refusal by the Customer to receive the goods covered by the Agreement, the same shall be legally terminated and Pelfa Group S.r.l. shall be entitled to the payment of the entire supply, the expenses incurred for transport and any damages caused by the Customer's refusal. The delivery terms agreed between the Parties are to be considered indicative and not binding.
8. **TIMESCALES AND METHOD OF PAYMENT.** The total consideration as indicated by the Parties shall be paid within the timescales and in the manner specifically identified by the Parties with offer and acceptance, integral parts of this Agreement. Any delay on the part of the Customer in payments exceeding the timescales identified shall give rise to the automatic application of the interest rate referred to in Decree Law 231/2002. In case of late payment, even of only one of the agreed instalments, Pelfa Group S.r.l. shall be entitled to extend the delivery deadline of the goods until each instalment that has already expired has been paid. For supplies that are not included among those indicated in the offer and acceptance, the Parties must agree in writing the subject, timescales and relevant prices of the supply by order and associated written acceptance.

9. **PAYMENT GUARANTEES.** In the event that the Parties have provided for the delivery by the Customer of guarantees relating to the obligation to pay the price (sureties issued by a leading banking or insurance institution, letters of credit and the like), the Agreement shall only be effective following the actual delivery by the Customer of the guarantee provided for in the Agreement. If the delay in the delivery of the guarantee lasts beyond the first deadline for payment of the supply, in case of non-payment, Pelfa Group S.r.l. may invoke the termination of the Agreement. In the event that the Agreement is ineffective, the Customer shall be obliged to compensate Pelfa Group S.r.l. for all costs incurred by it in any capacity for the supply covered by the Agreement.
10. **RETENTION OF TITLE.** Pelfa Group S.r.l. may exercise the right of ownership over the goods covered by the Agreement delivered by it to the Customer until the full payment of the price of what has already been supplied. The Customer, in compliance with the aforementioned retention of title clause, undertakes not to assign or use as collateral in favour of third parties the goods reserved and must, in the event of continued non-compliance, return the goods delivered within 30 (thirty) days from the expiration of the payment not made. In the event of failure to return, the Customer shall remain obliged to pay the price of what was delivered.
11. **ADDRESS FOR SERVICE AND CORRESPONDENCE RELATING TO THE AGREEMENT.** All communications provided for in this Agreement or related to it must be made in writing and sent by ordinary post or email to the following addresses: Pelfa Group S.r.l., v. Europa 4 - 33030 Buia (Ud) Italy / [info@pelfa.it](mailto:info@pelfa.it), [sales@pelfa.it](mailto:sales@pelfa.it), [pelfagroup@pec.it](mailto:pelfagroup@pec.it) (valid only for contacts in Italy) or to other addresses that shall be communicated from one Party to the other later. Any change in the name of a Party or its registered office must be communicated by certified email to the other Party within 20 (twenty) days of the change and shall be effective from the date of its receipt. *PEC* certified email is valid only for communications between the Parties in Italy, for foreign countries the email addresses listed above ([info@pelfa.it](mailto:info@pelfa.it), [sales@pelfa.it](mailto:sales@pelfa.it)) are valid.
12. **FORCE MAJEURE.** Pelfa Group S.r.l. shall not be liable for any breach of the terms of this Agreement if such breach is due to force majeure, such as natural disasters, floods, uprisings or riots, national strikes, fires, or other events unforeseeable and beyond the control of Pelfa Group S.r.l. In the event of force majeure, Pelfa Group S.r.l. shall undertake to adopt solutions that make it possible to avoid, or at least limit, the consequences of force majeure. The occurrence and termination of cases of force majeure must be promptly reported in writing by email to the addresses referred to in point 11 of this Agreement. It is understood that, in the event that the cause of force majeure should last longer than 6 months from its beginning, the Party whose obligations are not prevented by the cause of force major shall have the right to terminate this Agreement

early by *PEC* certified email without either Party being required to pay any indemnity to the other Party. The *PEC* email is valid only for communications between the Parties in Italy, for foreign countries the email addresses listed above ([info@pelfa.it](mailto:info@pelfa.it), [sales@pelfa.it](mailto:sales@pelfa.it)) are valid.

The Customer shall still be required to pay the amount due up to that time according to the timescales and conditions of payment, regardless of any and all its applicability and therefore by way of derogation from the provisions of art. 1672 of the Italian Civil Code.

13. **WARRANTIES.** Pelfa Group S.r.l. is required to offer warranties for discrepancies and defects in the work provided that the Customer uses the goods supplied in accordance with the data sheets and instructions given by Pelfa Group S.r.l., it maintains them in accordance with the instructions provided by Pelfa Group S.r.l. and uses the materials in general in accordance with their technical specifications. The warranty does not apply if the Customer accepted the work and the discrepancies or defects were known to them or at least could be recognised. Except in cases of wilful misconduct or gross negligence, the Customer shall, under penalty of forfeiture, report to Pelfa Group S.r.l. the discrepancies and defects within 30 (thirty) days of their discovery. The warranty shall be valid for a period of 12 (twelve) months from delivery. The warranty is limited to the restoration or replacement of the defective part, excluding any construction site activity and parts subject to normal wear and tear.
14. **LIMITATION OF LIABILITY.** Without prejudice to the provisions of legal obligations, the liability of Pelfa Group S.r.l. for any damage arising to the Customer or third parties from the execution of this Agreement shall be considered limited to the provisions of art. 13 of this Agreement with the exclusion of any and all liability for consequential damage and loss of earnings.
15. **EXPRESS TERMINATION CLAUSE.** This Agreement shall be deemed legally terminated in the event of non-payment of even just one of the instalments that may have been agreed in the timescales and method of payment, or late payment of even just one of the instalments that may have been agreed in the timescales and method of payment for a period exceeding 2 (two) months with respect to the agreed payment terms.
16. **COMMITMENT TO SECRECY.** Any confidential information, which is communicated by one Party to the other in relation to and in implementation of this Agreement must be and must remain private and confidential in accordance with the provisions of this article, for the entire duration of this Agreement and for a further period of 3 (three) years. The Parties undertake to impose similar obligations of secrecy on all their employees and collaborators, including external ones. The Parties undertake not to reproduce, use on their own account or through third parties, or otherwise exploit, confidential information, logos, trademarks, patents, designs, models, specifications, technical data, formulas and organisational arrangements of the other Party, except as expressly agreed in advance in writing between the Parties.

17. **TOLERANCE.** The tolerance, repeated or otherwise, of one of the Parties for active or omissive conduct carried out in violation of the obligations assumed under this Agreement, does not constitute a precedent nor does it in any way affect the validity of the clause violated or waived. Therefore, any delays or omissions of one of the Parties in asserting a right or exercising a power deriving from this Agreement should not be construed as waiving the said right nor the power to exercise it at any time thereafter.
18. **CONSENT SUBJECT TO PRIVACY LAW.** By signing this Agreement, each Party explicitly allows the other Party to enter its data into its own database. Each Party gives express consent to the other Party to disclose its data to third parties, if such disclosure is necessary for the fulfilment of its duties, rights and obligations relating to the execution of this Agreement, or facilitates the management of relationships arising from it. The Parties also take note of the rights granted to them by the legislation on the right to privacy and in particular by art. 18, paragraph 1 of the GDPR, i.e. the right to data portability, to object at any time to processing under particular conditions, to withdraw consent and to lodge a complaint with the Supervisory Authority.
19. **SUPERSESION CLAUSE.** These General Terms and Conditions of contract, which the Parties declare to know and accept in full, where not in conflict with special conditions contained in the proposal and/or acceptance, govern the relationship between the Parties and supersede any other differing clauses.
20. **APPLICABLE LAW AND JURISDICTION.** This Agreement is governed by Italian law. The rules of the Civil Code on procurement apply to it, inasmuch as not provided for herein. Any controversy arising from this Agreement or connected to it shall be referred to the exclusive jurisdiction of the Courts of Udine.

**Pelfa Group S.r.l.**