

GENERAL TERMS OF PURCHASE OF GOODS

1 – GENERAL PROVISIONS AND DEFINITIONS

(a) The words and/or expressions used therein shall have the following meanings:

• **PURCHASER:** the Company G&G PARTNERS S.r.l. with registered office in Via GABRIELE D'ANNUNZIO No. 9, 25018 MONTICHIARI (BS), Italy, VAT No. and Tax Code (IT)02754870984.

• **SELLER:** the public or private natural person or legal entity selling GOODS purchased by the PURCHASER.

Hereinafter also only "Party", if understood individually, and "Parties" if understood jointly.

• **GENERAL TERMS OF PURCHASE:** the terms and conditions specified hereinafter.

• **CONTRACT:** the CONTRACTS (hereinafter "CONTRACT" in the singular, "CONTRACTS" in the plural) entered into from time to time between PURCHASER and SELLER with acceptance in writing of a PURCHASE ORDER by the SELLER in accordance with following Art. 2 (b) – ISSUANCE OF PURCHASE ORDERS.

• **PURCHASE ORDERS:** any purchase request of GOODS by the PURCHASER to the SELLER, which complies with the form and content requirements as per following Art. 2 (a) – ISSUANCE OF PURCHASE ORDERS.

(b) These GENERAL TERMS OF PURCHASE (hereinafter also only "GENERAL TERMS") shall apply to all sales of GOODS made by the SELLER in favor of the PURCHASER in execution of the PURCHASE ORDERS that should be issued from time to time by the PURCHASER (and accepted in writing by the SELLER in accordance with these GENERAL TERMS), unless a specific SUPPLY CONTRACT has been signed (strictly in writing) between the Parties, governing the terms and conditions of supply of certain GOODS. In that case, the provisions of the specific SUPPLY CONTRACT shall apply unless it explicitly

provides for that these GENERAL TERMS shall apply to the contractual relationship for any matter not specifically provided for in the specific SUPPLY CONTRACT.

(c) These GENERAL TERMS shall prevail over any GENERAL or PARTICULAR TERMS OF SALE of the SELLER (if) set out by him in the INVOICES, correspondence (in any form) or elsewhere.

(d) Any changes or additions to these GENERAL TERMS shall be considered as valid only if specifically accepted in writing by the PURCHASER. The aforesaid amendments shall be strictly limited to the particular PURCHASE ORDER for which they have been agreed upon.

2 – ISSUANCE OF PURCHASE ORDERS

(a) The PURCHASE ORDERS shall be strictly issued in writing and shall specify at least the following elements:

- **GOODS covered by the individual PURCHASE ORDER;**
- **quantity, characteristics and DELIVERY times of the GOODS;**
- **PRICES, payment methods and times;**
- **any particular purchase terms, even as an exception to these GENERAL TERMS.**

(b) The PURCHASE ORDERS shall become binding on the Parties upon their acceptance in writing by the SELLER, unless they have been refused by the SELLER by written notice within 3 (three) working days of date of receipt of the PURCHASE ORDER. Once the above-mentioned deadline has expired without a refusal by the SELLER, the PURCHASE ORDERS shall be anyway understood as accepted without any exception.

The delayed, failed, incomplete or non-compliant (compared to what is specified by the PURCHASER in the PURCHASE ORDER)



DELIVERY represents SELLER'S default. Therefore, the PURCHASER may assert the rights granted to him in accordance with the following Art. 3 (d), (e), (f) and (g) – DELIVERY AND PERFORMANCE METHODS.

At any rate, the PURCHASER retains the right to cancel the PURCHASE ORDERS until the SELLER accepts them in writing and, in any case, within 3 (three) working days in case of refusal by the SELLER.

The SELLER also states that, with regard to his own organization, the aforesaid deadline of 3 (three) working days is enough to evaluate the PURCHASE ORDER and notify any refusal or counteroffer.

(c)For the purposes of these GENERAL TERMS, the communications exchanged between the Parties by letter (whether sent or not by registered letter with return receipt), fax, email (whether certified or not) or any other form of commercial correspondence having similar formal content shall be considered as made in writing.

(d)Without prejudice to the provisions of Art. 1 b), the sales of GOODS shall be governed by the provisions set out in these GENERAL TERMS, in the PURCHASE ORDERS or in the documents mentioned in case in the PURCHASE ORDERS, including CONTRACTUAL PROPOSALS.

(e)These GENERAL TERMS do not oblige the PURCHASER to issue a minimum or preset number of PURCHASE ORDERS: the aforesaid provision is an essential element of the expression of will of the Parties.

(f)The PURCHASER shall be entitled to withdraw from the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) at any time, even departing from Art. 1373, 1st paragraph, of the (Italian) Civil Code if the technical eligibility of the SELLER to duly supply the GOODS has failed, or if the SELLER is in economic-financial hardship that would jeopardize the regular supply of GOODS and again when legal actions for credit collection or enforcement procedures are brought against him, or the SELLER is in a condition of insolvency or has been admitted to any bankruptcy procedure, winding-up proceedings or an arrangement with creditors.

3 – DELIVERY AND PERFORMANCE METHODS

(a)For the purpose of establishing compliance with DELIVERY times and risk transfer for damage or total or partial loss of GOODS from the SELLER to the PURCHASER, DELIVERIES shall be made in compliance with the terms provided for by “INCOTERMS” standards in force specified in the PURCHASE ORDERS. Failing that, the DELIVERY shall be “**delivered duty paid**” (DDP – INCOTERMS 2020). GOODS shall be transported with every precaution so as to protect them from any damage.

(b)The SELLER must timely comply with the GOODS DELIVERY times, terms and methods specified in the PURCHASE ORDERS (to be absolutely considered as essential in the interest of the PURCHASER). The PURCHASER has the right to refuse the GOODS received before the deadline agreed upon with the SELLER, or to charge the SELLER for storage costs and financial charges related to the early DELIVERY period.

(c)The SELLER must warrant that the quantity of GOODS being delivered corresponds exactly to what is mentioned in the PURCHASE ORDERS. The PURCHASER may require from the SELLER collection of the quantities exceeding the GOODS ordered with the right to send them back directly to the SELLER at SELLER's costs and risk and to charge him for financial charges resulting from any payment already made and storage costs if he does not do so at once.

(d)Should the SELLER delay the GOODS DELIVERY or should the DELIVERY not be carried out, (failed), be incomplete or non-compliant (compared to what is specified by the PURCHASER in the PURCHASE ORDER), the PURCHASER shall be entitled:

i)to grant the SELLER a further deadline to DELIVER the GOODS,

(ii)to notify the SELLER of the TERMINATION of the related CONTRACT (including the PURCHASE ORDERS accepted by the SELLER in writing) due to default and to claim the return of any amount already paid by the PURCHASER.

(e)Setting of a further deadline to deliver the GOODS in accordance with Art. 3 (d) (i) - DELIVERY AND PERFORMANCE METHODS does not preclude the

PURCHASER from availing himself of remedies under previous Art. 3 (d) (ii) and following Art. 3 (f) (iii) – DELIVERY AND PERFORMANCE METHODS, if the SELLER does not meet the further deadline granted by the PURCHASER in accordance with previous Art. 3 (d) (i) – DELIVERY AND PERFORMANCE METHODS.

(f) In addition to the remedies under previous Art. 3 (d) - DELIVERY AND PERFORMANCE METHODS in any case of delayed, failed, incomplete or non-compliant DELIVERY of GOODS (compared to what is specified by the PURCHASER in the PURCHASE ORDER), the PURCHASER may also assert the following rights:

(i) to suspend payments due to the SELLER relating to the delayed, failed, incomplete or non-compliant DELIVERY (compared to what is specified by the PURCHASER in the PURCHASE ORDER);

(ii) to request DELIVERY of GOODS by land, by sea or by air (depending on the case and on PURCHASER's needs) at the SELLER's expense;

(iii) to apply a DELAY PENALTY equal to 5% (five percent) of the price agreed between the Parties for the GOODS for each week of DELAY up to the GOODS DELIVERY date, without prejudice to greater damages;

(iv) to request compensation for any further damage caused, either directly or indirectly, to the PURCHASER as a result of the delayed, failed, incomplete or non-compliant DELIVERY of GOODS (compared to what is specified by the PURCHASER in the PURCHASE ORDER).

(g) The remedies provided for by this Art. 3 - DELIVERY AND PERFORMANCE METHODS are additional and do not replace in any way other remedies provided for by applicable law in force in favor of the PURCHASER, such as, *inter alia*, the right to take legal steps to obtain fulfilment of the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) according to the remedies provided for in the above-mentioned CONTRACTS and, more generally, by Law.

4 – PRICES AND PAYMENTS

(a) The price amount for GOODS covered by the supply shall be specified in detail in the PURCHASE ORDERS, or set down in separate written agreements between the Parties. The prices specified in the PURCHASE ORDERS

accepted in accordance with previous Art. 3 DELIVERY AND PERFORMANCE METHODS shall be fixed and in no way subject to reviews or adjustments. Likewise, once they have been agreed for a certain period, the prices shall be fixed and in no way subject to reviews or adjustments for the entire agreed period.

(b) The price agreed in accordance with previous Art. 4 (a) – PRICES AND PAYMENTS is an all-inclusive price. Therefore, additional costs, expenses and charges shall be recognized to the SELLER only if they have been previously authorized by the PURCHASER in writing.

(c) Unless otherwise agreed in writing between the Parties, the prices are understood “**delivered duty paid**” (DDP – INCOTERMS 2020) and include the packaging required to guarantee the GOODS integrity. The value added tax (VAT) is EXCLUDED, unless otherwise specified.

(d) Payment times and methods shall be specified in the PURCHASE ORDERS, or set down in separate arrangements in writing between the Parties. Failure to do so, the payment shall be made by bank transfer within and no later than 30 (thirty) working days as from the end of the month of receipt of the regular invoice and the copy of the BILL OF LADING (where applicable). Payment shall, in any case, be subject to DELIVERY to the PURCHASER of the GOODS and/or of the original of the BILL OF LADING (where applicable).

5 – WARRANTIES

(a) The SELLER warrants that the GOODS:

(i) shall comply with the applicable law in force and with the best safety regulations available from time to time;

(ii) shall comply with the provisions of these GENERAL TERMS and PURCHASE ORDERS;

(iii) shall be free from design, production or preservation defects;

(iv) shall be consistent with any parts that need to be assembled or mounted on the GOODS according to the information provided by the PURCHASER;

(v) shall be suitable for use for which they are usually intended or other different uses required by the PURCHASER and that may have been brought by the latter to the knowledge of the SELLER;

(vi) shall comply with the characteristics and quality of the specimens submitted by the SELLER to the

PURCHASER as samples or models (whether prototypes or not).

(b) In case of defect and/or non-conformity of the GOODS with the WARRANTIES under previous Art. 5 (a) – WARRANTIES, the PURCHASER shall be entitled, at his sole discretion, to avail himself of the following remedies:

(i) to request removal of defects and/or non-conformities, or replacement of the defective and/or non-compliant GOODS, or of the entire batch to which they belong at SELLER's expense, costs and charges within and no later than the deadline of 15 (fifteen) working days as from the date of request by the PURCHASER;

(ii) to request a reasonable price reduction of the defective and/or non-compliant GOODS, or of the batch in which the above-mentioned defective and/or non-compliant GOODS have been found;

(iii) to notify TERMINATION due to default of the CONTRACT (including the PURCHASE ORDERS accepted by the SELLER in writing) related to the defective and/or non-compliant GOODS, or to deny payment of the purchase price and ask for return of any amounts already paid by the PURCHASER relating to the defective and/or non-compliant GOODS.

(c) The fact that the PURCHASER has requested removal of defects and/or non-conformities or replacement of defective and/or non-compliant GOODS, or of the entire batch, which they belong to, in accordance with previous Art. 5 (b) (i) – WARRANTIES, does not preclude the PURCHASER from exercising the rights envisioned by previous Art. 5 (b) (ii) and (iii) – WARRANTIES, if the SELLER does not remove the defects and/or the non-conformity, or replace the defective and/or non-compliant GOODS within the deadline set by the PURCHASER.

(d) At any rate, in addition to the remedies provided for by previous Art. 5 (b) - WARRANTIES, in case of defects and/or non-compliance of the GOODS with the WARRANTIES envisioned by previous Art. 5 (a) - WARRANTIES, the PURCHASER shall be entitled:

(i) to suspend the payments due to the SELLER relating to the defective and/or not compliant GOODS, or relating to the batch where the defective and/or non-compliant GOODS have been found;

(ii) to claim compensation for direct and consequential damage arising from defects and/or non-conformities of the GOODS.

(e) The WARRANTIES and remedies explicitly envisioned by this Article 5 – WARRANTIES must be considered as additional and in no way shall replace other remedies and WARRANTIES provided for by the law in force in case of defects and/or non-conformities of the GOODS. Departing from the provisions of Art. 1512 of the (Italian) Civil Code, the deadline for reporting defects and/or non-conformities of the GOODS is 60 (sixty) working days as from their discovery.

6 – INTELLECTUAL AND INDUSTRIAL PROPERTY

(a) The SELLER represents and warrants:

(i) that the GOODS, their components and accessories do not infringe patents, trademarks, models, copyrights or other intellectual and industrial property rights of third parties;

(ii) that he is fully legitimized to transfer to the PURCHASER full right to use, incorporate and market the GOODS.

7 – COMPENSATION AND INDEMNITY

(a) The SELLER undertakes to compensate for, and hold the PURCHASER harmless and indemnified against any direct or consequential damage, costs, expenses, charges or liability, including those arising from third parties' requests or claims, that may be a direct or indirect consequence of any non-fulfilment of the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) and/or of these GENERAL TERMS.

(b) In particular, by way of mere example, without being limited to, the SELLER shall compensate for, and hold harmless and indemnified the PURCHASER against any liability that should arise for the PURCHASER as a result of defects and/or non-conformities of the GOODS.

(c) The compensation and indemnity obligation as per this Art. 7 – COMPENSATION AND INDEMNITY is not subject in any way to the forfeiture deadline provided for by previous Art. 5 (e) - WARRANTIES.

8 – TERMINATION DUE TO DEFAULT

The PURCHASER may notify the SELLER at any time of the termination of the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) in accordance with Art. 1456 of the (Italian) Civil Code by sending a notice in writing to the SELLER, effective from the date specified by the PURCHASER in the above-mentioned notice, should the SELLER not meet the obligations arising from Art. 3 – DELIVERY AND PERFORMANCE METHODS and Art. 5 – WARRANTIES of these GENERAL TERMS.

9 – GOVERNING LAW AND COURT OF JURISDICTION

(a) These GENERAL TERMS and CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) are governed and construed by ITALIAN LAW.

(b) Without prejudice to any attempt of amicable and out-of-court settlement the Parties agree upon from now on that any dispute that should arise between them as regards construction, validity or performance of these GENERAL TERMS and of the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) shall be governed by ITALIAN LAW and referred to the exclusive jurisdiction of the Court of BRESCIA (BS), Italy.

10 – FORCE MAJEURE

(a) Failure to meet the obligations or delayed compliance with the obligations by either party as a result of these GENERAL TERMS and/or the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing), where the party is impeded by any objective circumstances beyond its reasonable control, such as, by way of mere example, but not being limited to, fires, floods, earthquakes, wars, strikes, riots, lockouts, lock-downs, blackouts, structural damages to the equipment, laws and orders or legitimate measures from public Authorities or inability to get raw materials or (either

electric or not) power for the purpose of manufacturing the GOODS, shall not constitute breach of these GENERAL TERMS and/or CONTRACTS.

(b) Under no circumstance shall delays or default of the SELLER's subcontractors be considered beyond SELLER's reasonable control in accordance with the previous paragraph.

(c) The SELLER shall perform the CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) in full managerial and organizational autonomy. Under no circumstance may these GENERAL TERMS and CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing) give rise to joint-venture or corporate relationships nor grant to the SELLER any representation power in the name of, and on behalf of, the PURCHASER.

11 – PERSONAL DATA PROCESSING

The SELLER's personal data shall be processed according to the provisions of the regulations in force concerning the personal data processing ((EU) Regulation No. 679/2016 and Legislative Decree No. 196/2003 as amended). The PURCHASER informs the SELLER that the PURCHASER is the sole data controller for the SELLER's personal data and the personal data is collected and processed exclusively for the purpose of performing these GENERAL TERMS and CONTRACTS (including the PURCHASE ORDERS accepted by the SELLER in writing).

12 – FINAL PROVISIONS

(a) Total or partial invalidity or ineffectiveness of individual clauses of these GENERAL TERMS shall not affect the validity and effectiveness of the remaining provisions.

(b) To all intents and purposes of Art. 1260 of the (Italian) Civil Code, the Parties agree as of now that the SELLER cannot transfer the credit unless previously authorized by the PURCHASER in writing.

G&G PARTNERS S.r.l.
The legal representative

To all intents and purposes of Articles 1341 and 1342 of the (Italian) Civil Code, the SELLER states that he explicitly approves the provisions referred to hereinafter: Art. 1 (b) – APPLICABILITY OF THE GENERAL TERMS OF PURCHASE TO ALL TRANSACTIONS (between PURCHASER and SELLER); Art. 2 – ISSUANCE OF PURCHASE ORDERS; Art. 3 – DELIVERY AND PERFORMANCE METHODS; Art. 5 – WARRANTIES; Art. 7 – COMPENSATION AND INDEMNITY; Art. 8 – TERMINATION DUE TO DEFAULT and Art. 9 – GOVERNING LAW AND COURT OF JURISDICTION.

G&G PARTNERS S.r.l.
The legal representative

Should these GENERAL TERMS OF PURCHASE not be returned duly signed by the SELLER as acknowledgment and unconditional and full acceptance by and no later than 3 (three) calendar days starting from the date of their receipt (day of their transmission to the SELLER) by the SELLER, they shall, anyway be understood as accepted, without any exception and therefore shall unconditionally and completely apply to this transaction.