

SAFIM S.r.l. GENERAL SALE CONDITIONS

1. SALES

1.1 The terms and conditions set out below ("General Sale Conditions") shall govern and constitute an essential and substantial part of all supplies/sales ("Sales") of products ("Products"), based on the drawings and data sheets provided by Safim and accepted by the Client executed between Safim and the customer ("Customer").

1.2 Sales shall be considered as concluded upon Safim written confirmation of the Customer's order ("the Order Confirmation").

1.3 In case of discrepancy between these General Sale Conditions and what is indicated in the Order Confirmation, this latter shall always prevail.

1.4 No effect nor validity can be attributed to any change made by the Customer to the Order Confirmation, nor any effect can be attributed to the Customer's purchase conditions, without specific written approval of Safim.

2. DELIVERY

2.1 Unless otherwise agreed in writing between Safim and the Customer in the Order Confirmation, delivery of products are intended to be "Ex-Works" Safim designated place of collection, according to Incoterms 2020, or the version in force at the date of the Order Confirmation. Delivery is considered accomplished upon collection of the Products by the carrier.

2.2 Products packaging is made in compliance with Safim standards.

2.3 Any costs, risks and damages that may occur during transport shall remain exclusively at the Customer's charge.

2.4 Save as otherwise agreed, date of delivery of the Products as indicated in the Order Confirmation or as otherwise agreed, is to be considered indicative only and not binding for Safim, and it will represent the best estimate date of delivery of the Products. In case of extended delay, Safim will inform the Customer and agree on a new delivery date. Scheduled delivery of ordered quantities should be agreed in writing.

2.5 Safim reserves the right to make several deliveries of the same supply of Products.

3. RETENTION OF TITLE

3.1 The Products shall remain the property of Safim until full payment of the entire price of the Products, and of all the amounts indicated in the invoice, is made by the Customer. Notwithstanding the above, the risk of loss or damage shall pass to Customer upon delivery.

3.2 In case of partial or omitted payment, Safim reserves the right to demand the return of the delivered Products. All costs and expenses relating to the collection of the Products will be at the Customer's charge.

4. PRICES -PAYMENT TERMS- CUSTOMER FINANCIAL CONDITIONS - ACCELERATION CLAUSE

4.1 The prices of the Products are those indicated in the Order Confirmation and they are intended to be net of shipping, transport and insurance costs, VAT, custom duties and other taxes or charges, which shall remain at the Customer charge, unless otherwise provided in the Order Confirmation.

4.2 The prices of special or not standard Products shall be provided from time to time and shall be indicated in the Order Confirmation.

4.3 Safim reserves the right to increase the Products price, also on confirmed orders, in case of unexpected conditions which cause an increase of the costs.

4.4 Unless otherwise agreed in writing in the Order Confirmation, payments shall be made by bank transfer within 30 days from the date of the invoice or date of notice of goods ready for delivery, whichever comes first. In case the Customer does not collect the Products within 15 days from date of notice of goods ready for delivery, Safim will be entitled to invoice the full price of the Products and charge the Customer for deposit costs until the date when the Products will be collected.

4.5 Payment of the Products shall in no event be suspended or delayed by any claims or complaints, actions or exceptions made by the Customer with reference to the Products, including late delivery.

4.6 Furthermore, the Customer is not entitled to set off any sums due to Safim for Products supplies, with any Customer's credits or claim against Safim for whatever reason.

- 4.7 In case of failure by the Customer to pay any amounts due by the same within the agreed deadlines, the Customer shall pay interests at an annual rate of 7% or a lower rate if necessary to be compliant with applicable laws.
- 4.8 In case of several payment deadlines indicated in the invoice, failure by Customer to comply with one or more of the indicated payment dates shall entitle Safim to immediately suspend, without any notice, the ongoing supply and any further supplies until Customer pays the due amounts.
- 4.9 In case the financial conditions of Customer changes or get worse for insolvency, composition with creditors or other bankruptcy procedure, Safim is entitled to suspend or cancel, at its discretion, the confirmed orders, and to refuse further orders from Customer.
- 4.10 In case Safim grants to the Customer an extension of the payment term, failure to pay one installment of the price will cause the automatic application of the acceleration clause and Safim will be entitled to immediate payment of the whole amount due.

5. SAFIM INTELLECTUAL PROPERTY RIGHTS

- 5.1 Drawings, technical specifications and figures made by Safim and related to Safim Products are and shall remain the exclusive property of Safim. Safim shall retain all rights, title and interest in and to any and all industrial designs, patents, copyrights, trademarks and other intellectual property rights regarding the Products as well as to any associated developments that Safim shall create for the Customer during the supply relationship.
- 5.2 Where the Products are manufactured based on design, drawings or specifications of the Customer, Safim shall forward to the Customer the final drawing (Approval specifications & drawings) of the Product to be supplied, for approval, if Safim does not receive approval or comments within two weeks, the drawings will be considered as accepted by the Customer. Customer's framing of Safim drawing into its company documentation and/or under its own trademark should only be considered as approval of the specifications included in the drawings and shall not imply any assignment of Safim intellectual property rights on the Products.
- 5.3 When Products are manufactured based on Customer's drawings, the Customer shall indemnify Safim against any damage, claim, cost, charge, expense and liability of whatever nature, arising from the infringement of third parts intellectual property rights.
- No license, transfer or assignment of intellectual property rights of Safim shall occur as a result of the supply relationship with the Customer.

6. CONFIDENTIALITY

- 6.1 Safim specifications, samples, designs, plans, drawings documents, data, whether disclosed orally or in writing to the Customer and whether or not marked or identified as "Confidential" shall be considered as privileged and confidential information of Safim.
- 6.2 Drawings and technical information are issued by Safim in confidence for engineering information for the Customer's necessities and should not be disclosed or used by the Customer, save for the purpose of the supply relationship with Safim. All documents and data provided by Safim shall be returned or destroyed at Safim request or upon termination of the supply relationship.

7. SPECIAL PRODUCTS – SAFIM TECHNICAL ASSISTANCE – MOLDS AND EQUIPMENT OF THE CUSTOMER

- 7.1 In the purchase order the Customer shall indicate if the Products ordered will be allocated to a specific sector with specific legal obligations for the supplier regarding spare parts. Without this information Safim shall not be liable for lack or shortage of spare parts related to the supplied Products.
- 7.2 Safim technical assistance in developing the Product shall be considered as a proposal without any responsibility on the final use of the Product. Safim technical assistance with reference to the use of the Product shall not imply any obligation or liability of Safim in respect of the result obtained. The responsibility for the suitability of any possible technical solutions proposed by Safim for the Product use remains with the Customer who should test and verify on its own account if the Product are fit for its purposes.

7.3 If the Customer requests Safim to manufacture or buy special equipment, tools or molds for manufacturing the Products then such items will be paid by the Customer and will be returned to the Customer on a "as is" basis. Possible extraordinary maintenance to be made on such items will also be at the Customer's charge. The property of the Customer on the molds and equipment does not imply any assignment by Safim of its Intellectual property rights on the Products.

7.4 Safim will keep the Customer's molds, tools or equipment at its premises or at its suppliers premises, and will use the same level of diligence in custody and use as its own molds, tools and equipment. In case of loss or thefts of the Customer's items Safim will only be liable to reimburse the amount that will be paid by its insurance company.

8. WARRANTY- CLAIMS

8.1 Save as otherwise agreed in writing with the Customer, Safim guarantees the Products compliance based on Safim's technical specifications accepted by the Customer.

8.2 Any other condition or warranty (also implied by law) as to the quality or fitness for the purpose of the Products is hereby excluded.

8.3 This warranty is limited to replacing defective or non-compliant Products or at the discretion of Safim, credit Customer, in full or in part, the price paid for the Product/s.

8.4 Customer shall inspect the Products immediately on delivery. Any non-conformity or alleged defects of the Products shall be reported to Safim within eight (8) days from receipt of the Products. Any claims related to alleged hidden defects not recognizable through a diligent checking at the moment of the receipt of the Products, shall be reported to Safim within eight (8) days from their discovery. Unless otherwise agreed, the warranty is valid for a period of twelve (12) months from Product's delivery to Customer.

8.5 Any claim shall be reported in detail and in writing and shall include a detailed description of the claim and of the alleged defects. The Customer shall make available the Products to Safim for inspection, or return them to Safim, if requested.

8.6 Safim is free to accept or reject the claim, after verification. Warranty shall apply only to claims accepted by Safim and it is limited to the reparation or replacement, at Safim discretion, of those parts where the defects or non-conformities are accepted by Safim.

8.7 Warranty shall not apply if Customer or any third party other than Safim or its authorized agents make any repairs or changes to the Products.

8.8 Furthermore, warranty shall not apply in case of improper use of the Products or abnormal operating conditions or non-observance of the maintenance and checking procedures provided in Safim instructions manual and other instructions provided by Safim.

8.9 THIS LIMITED WARRANTY IS THE CUSTOMER EXCLUSIVE REMEDY AND SAFIM HEREBY EXPRESSLY DISCLAIMS ALL OTHER WARRANTY OF MERCHANTABILITY AND THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.

9. EXCLUSIONS - LIMITATION OF LIABILITY

9.1 Safim warranty does not include any reimbursement for labor, removal, installation, temporary stop of the vehicle, or the line of production of the Customer; Safim is further not responsible for any defect caused by normal wear and tear.

9.2 Safim shall not be responsible for any defect in the Products arising from any drawing, design or specification provided by the Customer.

9.3 Safim warranty is not applicable in case the Customer includes to the Product other components or parts.

9.4 Possible samples or prototypes supplied for Customer's testing are not covered by Safim warranty.

9.5 In no circumstances Safim shall be liable for any other Customer cost or damage directly or indirectly connected to a defective Product, however arising.

9.6 If Safim is liable to pay damages, these damages shall not exceed the lower of the amount of the invoice for the Products that caused the damage or, if the damage is covered by insurance, the amount actually paid by the insurance company to Safim.

9.7 Warranty shall not be applicable in any case where Customer does not fulfill to its payment obligations.

9.8 In the event of a Product recall campaign, market withdrawal or other corrective action is requested by Customer or required by the directive or order of any governmental authority or court of competent jurisdiction, Customer will strictly follow Safim's directions or the recalling authority's instructions for conducting the recall and for returning of the recalled Products, and shall provide reasonable cooperation and assistance to Safim in taking all other appropriate actions. The costs and expenses of the recall campaign shall be the reasonable direct expenses of return of recalled Products, Safim's cost to replace or refund the price of the recalled Product, and the costs directly associated with distribution of replacement Product.

9.9 TO THE LARGEST EXTENT PERMITTED BY THE RELEVANT NATIONAL LAWS, SAFIM WILL NOT BE LIABLE FOR LOSS OF INCOME, OR ANY CONSEQUENTIAL OR INDIRECT DAMAGES TO CUSTOMER OR CUSTOMER'S AFFILIATES OR ANY THIRD PARTS UNDER ANY CIRCUMSTANCE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR PUNITIVE DAMAGES, INCLUDING BUT NOT LIMITED TO MANUFACTURING OR LABOR COSTS, DAMAGE TO EQUIPMENT, PRODUCTION LINE DOWNTIME, COST FOR SUBSTITUTE PRODUCTS, LIABILITY TO A THIRD PARTY OR LOSS OF PROFIT FROM THE SALE, USE, OR INABILITY TO USE THE PRODUCTS, THE PRODUCT INCORPORATION INTO OR BECOMING A COMPONENT OF ANY OTHER PRODUCT, OR FROM ANY OTHER CAUSE WHATSOEVER, WHETHER BASED ON BREACH OF WARRANTY OR OTHER CONTRACTUAL CLAIM, TORT, STRICT LIABILITY OR ANY OTHER THEORY OF LIABILITY, AND REGARDLESS ANY ADVICE OR REPRESENTATION THAT MAY HAVE BEEN RENDERED BY SAFIM CONCERNING THE SALE, USE AND/OR INSTALLATION OF THE PRODUCTS, SAFIM WILL NOT HAVE ANY NEGLIGENCE OR OTHER TORT LIABILITY TO CUSTOMER OR TO ANY THIRD PARTY, ARISING FROM DEFECTIVE PRODUCTS.

10 MISCELLANEOUS

10.1 The Customer must not assign nor transfer to third parties in whole or in part, the confirmed order, without previous written authorization of Safim.

10.2 The Invalidity or unenforceability for any reason of any part of these General Sales Conditions shall not prejudice or affect the validity or enforceability of the remainder.

11. FORCE MAJEURE

11.1 Safim shall not be deemed responsible for any non-fulfillment, even if partial, or delay in the delivery of the Products, due to events beyond its reasonable control or other circumstances that prevent Safim and its supplier's activity such as general strikes, riots, war, accidents, fire, floods, earthquakes, and any other natural event, epidemics, government embargo, shortage of energy or supplies, transportation difficulties or other similar situations beyond Safim control.

12. PRIVACY - CONSENT -

12.1 The Customer authorizes Safim, in compliance with the applicable Italian laws and EU regulations in force at the moment of the Order, to the personal data processing for performing the civil and tax obligations relating to the Products supply.

12.2 The Customer acknowledges that for further information on privacy protection rules it will be able to consult the dedicated section on Safim web site: www.safim.it.

13. ETHIC CODE - ANTI CORRUPTION LAWS COMPLIANCE

13.1 Safim has adopted an Ethic Code and a model of organization, management and control in compliance based on international and national ethic and anti-corruption principles. Consequently, in carrying out the commercial relationship with Safim, the Customer shall respect the rules of behavior of the Ethic Code adopted by Safim. The Ethic code is available in the dedicated section of Safim web site: www.safim.it.

13.2 The Customer is committed to respect and have its managers, directors, employees to respect all the national and international anti-corruption applicable laws, concerning the measures to prevent and combat the corruption in relation to the public administration, and any national or international law in relation to the prevention and combat or illegal practices and anti-corruption.

14. JURISDICTION – APPLICABLE LAW

14.1 Safim sales and the present General Sale Conditions, as well as attachments subscribed by both parties and constituting substantial part of the sale contract, are governed exclusively by Italian Law.

14.2 For sales within the EU, any and all disputes and or claims arising out of or in connection with the interpretation, performance, validity of the Order Confirmation and the present General Sale Conditions the Court of Modena will be the exclusive competent Court.

14.3 For sales outside the EU possible disputes will be subject to a sole arbitrator, appointed according to the rules of the Arbitral Chamber of the Chamber of Commerce of Modena. Place of Arbitration will be Modena (Italy).

14.4 By way of derogation from this clause, Safim reserves the right to act for credit recovery, and enforcement of the "Retention of Title" clause and to protect any infringement in its intellectual property rights, before a competent court in the country where Customer has its offices.