

GENERAL CONDITIONS OF SALE

1. Definitions

1.1. "Seller": ZEC S.p.A.

1.2. "Buyer": any company (legal entity) that purchases products from ZEC S.p.A.

1.3. "Contract": Contract of sale entered into between the Seller and the Buyer, comprising any written agreement, including these General Conditions of Sale, entered into between the Seller and the Buyer for the procurement and/or supply of the Goods.

1.4. "Goods": all the products sold by ZEC S.p.A.

1.5. "Contract Price" means the price payable to the Seller by the Buyer for the Goods supplied to the Seller under each individual Order.

2. Preamble

2.1. The Contracts entered into by the Seller shall prevail over any previous agreement, written or oral, between the parties, and shall be governed by these General Conditions of Sale, except for any waivers resulting from an explicit written agreement and approved in writing by the Seller's General Management.

2.2. Any general conditions set by the Buyer, and in particular conditions of purchase, issued either before or after these conditions, shall not apply to the dealings between the parties unless expressly agreed in writing and approved in writing by the Seller's General Management. In this case, however, unless a waiver is agreed in writing, they shall not invalidate these General Conditions of Sale. These specific conditions of purchase will take precedence over the General Conditions of Sale.

2.3. The invalidity of one or more provisions of the Contract shall not affect the validity of the Contract as a whole.

3. Contract of sale

3.1. The Contract shall consist of the Buyer's order in writing and the Seller's confirmation of the order in writing, and shall include any attachments and any separate agreement in writing between the parties. The Contract is governed by these General Terms and Conditions of Sale, although not exempt from the specific conditions contained in the Contract itself.

3.2. The Contract shall be deemed to have been executed only when the Buyer receives confirmation of the order in writing from the Seller.

3.3. The Buyer acknowledges that the Seller's agents, representatives or other assistants have no power to bind the Seller in any way, and that all orders placed by them shall only become valid and effective upon confirmation in writing from the Seller and confirmation of the order in writing from the Seller.

3.4. The execution of the Contract may be halted at any time in the event that the Buyer's financial conditions change pursuant to art. 1461 of the Italian Civil Code, without prejudice to compensation for damages. The Seller is entitled to request, even during the execution of the order or Contract, suitable payment guarantees. Failure to provide the required collateral shall constitute grounds for immediate termination of the Contract.

4. Cancellation and amendments

4.1. No modification, reduction or cancellation of the Contract will be permitted after acceptance of the order unless otherwise agreed in writing by both parties.

4.2. The Seller reserves the right, in any event, to make minor changes and/or improvements to the Goods prior to their delivery, provided that the characteristics of the Goods are not adversely affected by such changes and provided that they have no effect on the Contract Price or the delivery date.

4.3. The Buyer may request that the orders accepted by the Seller are cancelled, reduced and/or modified within and no later than 5 (five) days from the date of confirmation of the order. The Seller reserves the right to evaluate such request, it being understood that no modification may take effect unless approved in writing by the Seller.

5. Purchased Goods

5.1. The Seller warrants that the Goods purchased by the Buyer conform to the standard characteristics, as clearly indicated in its catalogues and on its website, as well as to any customized characteristics, other than the standard ones, specifically requested by the Buyer, both of which are referred to in the Contract, which in turn are governed by these General Conditions of Sale. In the event that the Contract provides for the supply of Goods which have been customised according to a specific sample supplied by the Buyer, such Goods shall be guaranteed to conform to the characteristics of the sample, subject to normal and acceptable tolerances.

5.2. The Seller reserves the right to make any modifications to the Products which, without modifying the main characteristics of the Products, may be deemed necessary or appropriate. Such modifications, as well as any minor differences in the Goods supplied, shall not entitle the Buyer to refuse to execute the Contract.

5.3. The Goods purchased by the Buyer are guaranteed in accordance with the specifications set out in the Seller's quality management system.

6. Prices

6.1. The price of the Goods is the price indicated in the confirmation of the order issued by the Seller, unless otherwise specified in writing.

6.2. The Seller's price lists do not constitute an offer, are purely indicative and may be modified unilaterally by the Seller without notice.

6.3. Prices are normally considered, unless otherwise agreed, Ex Works, excluding packaging. The Buyer shall pay any taxes, duties and fees applicable at the time of delivery and any other costs or charges. The prices do not include any services or charges that have not been mentioned.

6.4. The costs of insuring the Goods shall be borne by the Buyer, as well as the costs and customs duties due as a result of any delay in customs clearance or for any other reason.

6.5. In the event of a change in market conditions and an increase in the cost of raw materials of 3% or more compared with what was established in the purchase order, the Seller shall be entitled, even during the period of the Contract, to unilaterally adjust the sale price accordingly.

7. Payment terms

7.1. The Buyer is obliged to proceed with the payment of the Goods according to the details given in the confirmation of the order.

7.2. In the event of a complaint or a dispute the Buyer is not entitled to suspend or in any case delay payment for the Products in question, let alone for subsequent orders.

7.3. The Buyer may not set off the amounts due to the Seller against any accrued receivables.

7.4. The Seller reserves the right to set off the sums due to the Buyer for any reason against the sums owed by the Buyer to the Seller.

7.5. Payment shall be made net of any discounts, according to the written agreements between the parties. The Seller's invoices shall be payable in Parma, without prejudice to the Seller's payment arrangements and domiciling of bills.

7.6. Under no circumstances may the Buyer defer payments beyond the agreed deadlines, particularly as a result of delays in the delivery of materials or disputes of any kind. Interest will be charged, automatically and without formal notice, on delayed payments calculated in accordance with Legislative Decree 231/2002 and subsequent amendments, without the Buyer being entitled to defer payments.

7.7. In the event of a failed or delayed payment, including partial payment, after 7 (seven) days from the expiry date, the Seller has the right to halt the delivery of the Goods, even if they refer to different orders from one relating to the failed or delayed payment.

7.8. In the event of bankruptcy or if the Buyer embarks on insolvency proceedings, or if the Buyer is subject to enforcement proceedings and/or promissory notes, the Buyer's debts shall be considered due immediately and the Seller shall be entitled to terminate the Contract simply by sending a registered letter.

7.9. In the event that settlement is agreed via promissory note, the discount rates and relevant costs and commissions shall be at the Buyer's expense, calculated at the official discount rate plus three percent. In the event of non-payment or non-acceptance of a promissory note, the amounts will be due immediately, irrespective of any previously agreed conditions.

7.10. Where the parties have agreed to the advance payment without more detailed specifications, it is assumed that the advance payment refers to the full price. Unless otherwise agreed, the advance payment shall be credited to the Seller's account at least 30 days before the agreed delivery date.

7.11. The payment is only considered to have been made when the final instalment has reached the Seller's bank account in Italy.

7.12. Unless otherwise agreed, any bank charges or fees due in relation to the payment shall be borne by the Buyer.

8. Transport and packaging

8.1. The cost of transporting the Goods from the Seller's premises to the delivery address, as well as the costs related to any insurance and customs charges (where due) on exit and entry, shall normally be borne by the Buyer unless otherwise agreed in the Contract, if necessary by referring to Incoterms rules. The use of Incoterms rules does not replace the Contract, but forms an integral part of it and must be clearly defined between Seller and Buyer and the precise delivery term must be specified.

8.2. The Seller will provide packaging in accordance with industry standards. The Seller is however exempt from any liability for loss or damage, which are not caused by the Seller's intentional misconduct or gross negligence and are not a direct and immediate consequence of the Seller's actions. For particular types of packaging, the additional cost indicated in the price list, where indicated, or in the order confirmation, will be added.

9. Delivery and transfer of risks

9.1. The delivery and transfer of risks shall be considered fulfilled if they are carried out in the manner, at the time and place agreed in the Contract, where necessary by referring to Incoterms rules. The use of Incoterms rules does not replace the Contract, but forms an integral part of it and shall be clearly defined between Seller and Buyer and the precise delivery term shall be specified.

9.2. If the parties do not provide specific instructions in relation to the delivery, it is expected that:

- if the Seller is responsible for transport, the delivery shall be deemed to have taken place once the Goods are delivered to the first carrier;
- if the Buyer is to collect the Goods, delivery shall be deemed to have taken place once the Goods have been delivered to the Seller's business address or at the business address given at the time the Contract is finalised.

10. Inspection of Goods and notification of defects

10.1. Upon delivery, the Buyer is responsible for inspecting the Goods and notifying the Seller immediately of any issues regarding the condition of the packaging, quantity, number or appearance of the Goods. If the Contract provides for the transport of the Goods, the period of time in which the Buyer is required to notify the Seller of any issue shall commence from the time the Goods arrive at their destination.

10.2. The Buyer shall notify the Seller of any visible defects affecting the Goods by registered letter with Proof of Delivery (PoD), under penalty of forfeiture, within eight days from the date of delivery of the Products.

10.3. Any defect not detected from a thorough check at the time of receipt (hidden defects) must be reported to the Seller by registered letter with PoD, under penalty of forfeiture, within eight days of their detection.

11. Retention of ownership

11.1. The Seller shall retain ownership of the Goods sold until they are paid in full and any action by the Buyer which, except with the written consent of the Seller, may affect the Seller's right, shall be subject to the penalties provided for by law.

12. Terms of delivery:

12.1. The delivery period shall commence on the day following the date when the agreement is reached on each element of the Contract and all the information necessary for its implementation has been received by the Seller, i.e. the issue date of the order confirmation.

12.2. In the event that an import licence is required from the Buyer's country, the delivery term shall start from the moment the Seller has been informed in writing that the licence has been granted.

12.3. The Seller shall not be liable, therefore nothing shall be due to the Buyer, if the failed or delayed delivery is not attributable to the Seller or is due to causes not attributable to the Seller - such as, by way of example, delays by third parties, including suppliers or subcontractors - or due to force majeure such as demonstrations, riots, strikes or lockouts, wars, epidemics, pandemics, forced closures, accidents or faulty machines or tools, fires, collapsed buildings, floods, earthquakes, extreme temperatures, extreme weather events and in general in any other case involving the total or partial closure of the Seller's premises and the interruption or slowdown of production.

If the closure of the Seller's premises due to force majeure lasts longer than six weeks, the Seller shall have the right to terminate the Contract, by giving ten-days' written notice to the other party, without this being considered a breach or grounds for liability.

12.4. Likewise, the Seller shall not be liable, therefore nothing shall be due to the Buyer, in the event of failure to comply with the payment terms.

12.5. In any case, the Buyer shall not take advantage of a delay to the delivery as a reason to terminate the Contract.

12.6. If production and/or delivery are halted or delayed due to any action, activity or failure to act on the part of the Buyer, or at the Buyer's request, as well as in the event that the Buyer has been given notice that the Goods are ready for delivery, and the Buyer has not accepted or collected them, or has not provided adequate shipping instructions, within the term set by the Seller, the Seller shall be entitled - at its sole discretion - to store the Goods in a suitable warehouse, at the Buyer's expense. In this case, delivery shall be deemed to have taken place once the Goods are stored at the warehouse, and the risks relating to the Goods shall be transferred to the Buyer. The Goods may be collected only once they have been paid for including any storage charges.

13. Termination

13.1. The Seller shall have the right to terminate this agreement and/or to suspend the supply of Goods by giving notice in writing to the Buyer:

a) in the event of non-payment for the Goods in accordance with the terms of the Contract;

b) in the event of unforeseen circumstances, force majeure or acts of God, in addition to the possible circumstances indicated in § 12.3;

c) in the event that, wherever this occurs, any factors or circumstances substantially change the market conditions, the value of the currency, the conditions of Italian industry, or any circumstances, including internal ones, that, at the sole discretion of the Seller, are prejudicial to the useful continuation of the supplier relationship;

d) in the event that the Buyer does not collect the Goods within 2 (two) weeks from the agreed delivery date;

e) in the event of a breach of Contract by the Buyer;

f) in the event of liquidation, bankruptcy or if the Buyer ceases trading.

13.2. In any event that the Seller withdraws from the supplier relationship, the Buyer shall not be entitled to any compensation, remuneration or refund. If requested by the Seller, the Buyer shall pay for the Goods that are ready for delivery or being produced, and arrange for them to be delivered.

14. Limitation of liability

14.1. The Seller's liability to the Buyer shall in no case exceed the total price actually paid by the Buyer for the Goods purchased.

14.2. The Buyer shall not be entitled to claim or hold the Seller liable for any loss of profit, loss of production, loss of contracts, loss of use, loss of data, infringement of an Intellectual Property Right and in any case for any other damage deriving directly or indirectly from the Goods.

15. Warranty

15.1. The Seller warrants that the Goods supplied conform to the characteristics specified in its catalogues, website, data sheets, separate specifications and PSW/PPAP.

Furthermore, the Seller does not warrant that the Products conform to any specifications or technical characteristics or are suitable for any specific uses, except to the extent that such characteristics have been agreed in the Contract or in documents referred to for this purpose by the Contract.

15.2. The Seller guarantees the Goods for a limited period of 12 (twelve) months against any non-obvious defect in construction or hidden defect in the materials attributable to the Seller. The warranty period commences on the date of delivery, after which no claims may be made against the Seller.

15.3. The warranty shall only apply to the Goods in the condition that they were in when they were delivered. It shall apply only to Goods which are recognised as defective by the Seller, once they have been returned to the Seller at its request and ex works.

15.4. However, the warranty shall not cover the following:

- any processes and/or actions and/or interventions attributable to the Buyer or the user;
- the use of the products in a manner that does not comply with the instructions provided in the Contract or in the relevant data sheets;

- the use of the products with incompatible substances or agents or within unsuitable environments;
- non-compliant or improper installation or assembly of products;
- normal wear and tear;
- non-adherence to the storage requirements, operational or environmental requirements indicated by the Seller;
- the lack of proper maintenance;
- any modification or repair not previously authorized by the Seller in writing; the unauthorized use of spare parts.

The costs incurred by the Seller to investigate and correct any such faults shall be paid by the Buyer if requested.

The Buyer shall always remain solely responsible for the appropriateness and accuracy of the information provided.

15.5. The Seller shall be liable only for any damage that it has been found to have caused to the Goods sold by it, and shall not be liable for any indirect and/or consequential damage, nor for any subsequent damage caused by the Buyer or by third parties, nor for any delays in production by the Buyer or by third parties.

15.6. If the complaint is unfounded, the Buyer shall indemnify the Seller for all the costs incurred in dealing with the complaint.

15.7. Upon return by the Buyer of the Goods found to be defective by the Seller, the Seller shall, at its discretion, either replace them free of charge with Goods of the same type and quantity as the Goods found to be defective, or refund only the price actually paid by the Buyer for the purchase of the defective Goods, followed by notification in writing that the Contract has been terminated.

15.8. Replaced Goods, made available ex works from the Seller's premises, shall be covered by the same warranty, which shall last for the remaining period of the 12 (twelve) months of the original warranty. After expiry of the aforesaid term, the Seller shall be exempt from any liability in relation to any defects and/or faults with regard to the Goods replaced.

15.9. The Buyer is solely responsible, also vis-à-vis its customers and/or third parties, for the choice of the Goods purchased, through its own evaluation and checks, ensuring that all requirements relating to the use of the products, as well as their durability, performance, safety and maintenance, are met. The Buyer shall evaluate every aspect of the way they will be used, following the specifications, technical information and industry standards supplied with the applicable products for the purposes for which they are intended to be used.

15.10. If the Buyer is not the end user of the Goods, the Buyer shall nevertheless ensure that the end user complies with the provisions set out in this document, and shall provide such guarantee to the Seller.

15.11. This guarantee does not cover defects relating to the parts of the products subject to wear and tear, defects resulting from improper use or use not in accordance with the instructions provided by the Seller, Goods modified, repaired or disassembled by persons not authorized by the Seller, Goods not properly stored by the Buyer, Goods produced by third parties for which the

Manufacturer's and/or Original Manufacturer's guarantee applies, as well as negligence, incompetence or carelessness on the part of the Buyer or its agents.

15.12. To the extent permitted by law, the above warranty replaces all other warranties and the Buyer renounces to all other warranties, whether explicit or implicit, including, but not limited to, those relating to the design, marketability or suitability of the Goods for a particular purpose. The provisions of these General Conditions of Sale regarding the warranty is the only recourse available to the Buyer in the event that the Goods are defective.

15.13. The above warranty includes and replaces the legal warranties for any defects or faults and exempts the Seller from any other possible liability, whether contractual or non-contractual, relating to the Goods supplied. Therefore, the Buyer shall not be entitled to make any other requests for discounts or compensation for damages, safety recalls, loss of earnings or termination of the Contract.

15.14. In the event of intentional misconduct or proven gross negligence, the Seller shall not be liable for loss of earnings, loss of production or any other damage.

16. Compliance

16.1. The Buyer shall comply with all directives, regulations, laws and professional standards of the countries in which the purchased Goods may be used.

17. Protection of intellectual property rights

17.1. All the know-how, industrial secrets, designs, drawings, prototypes, models, trademarks, patents and all technical-commercial information relating to the Seller's products shall remain the exclusive property of the Seller; the Buyer shall avoid any behaviour that may prejudice or infringe such rights.

17.2. The Seller shall not be held liable to the Buyer in the event the intellectual property rights are infringed by third parties due to the activities or processes of the Buyer or its employees and agents, resulting from the modification, assembly and use of the Seller's products as well as from the Seller's adherence to the Buyer's designs, drawings, instructions and specifications.

Furthermore, the Buyer warrants that any design or instruction given or delivered by the Buyer shall not cause the Seller to infringe any Intellectual Property Rights in the performance of Seller's obligations under the Contract and shall indemnify the Seller against all reasonable costs and damages that the Seller may incur by infringing such warranty.

17.3. The Buyer shall protect and indemnify the Seller against any liability, expense, cost or damage suffered by the Buyer as a result of such breaches.

18. Confidentiality clause

18.1. The Buyer undertakes to keep all the information received from the Seller in relation to the Contract confidential. This information, such as technical material, drawings and data sheets, contains confidential information that may be of commercial value to the Seller or third parties commercially linked to the Seller. Any disclosure of this confidential information shall only be allowed

with the Seller's written permission. The Buyer shall be liable and shall in this case compensate the Seller in the event that this clause is breached.

19. Communications

19.1. All communications between the parties shall be in writing and sent to the Buyer's address indicated in the Contract or to the Buyer's registered office, by registered letter, certified email, fax, e-mail or by hand.

19.2. Communications made by registered mail shall be deemed to have taken place at the time of receipt.

19.3. Communications affecting the validity or existence of the Contract shall be sent only by registered letter with acknowledgement of receipt.

20. Applicable Law. Jurisdiction. Court of jurisdiction.

20.1. Contracts, including those entered into with foreign nationals or for materials delivered abroad, are governed by Italian law. The provisions of the Vienna Convention on Contracts for the International Sale of Goods of 11 April 1980 shall apply, where more favourable to the Seller.

20.2. Any disputes relating to this Contract and its interpretation and/or execution shall be subject to Italian law and referred exclusively to the jurisdiction of the Court of Parma, with the Buyer expressly waiving its own jurisdiction or any other competent court of jurisdiction.

20.3. In any case, the Seller has the right to summon the Buyer before the judge in the city where the former has its registered office.

21. Processing of personal data

21.1. The Buyer consents to the processing of personal data, acknowledging that it has received the privacy notice provided for by Articles 13 and 14 of EU Regulation 679/2016 (GDPR).

21.2. The Data Controller of the Buyer's data is ZEC S.p.A. with registered office in Colorno, Via Lungolorno 11. The Buyer may at any time exercise the rights set out in Articles 15-22 of the above mentioned GDPR, of which it hereby declares itself fully aware, by contacting the data controller directly.

21.3. The Seller warrants that the Buyer's personal data will be processed automatically, by automated means, for the purpose of and in accordance with the Contract of Sale regulated by these General Conditions of Sale. The processing will be based on principles of fairness, lawfulness and transparency, while also protecting the customer's confidentiality and rights.

21.4. The provision of such data is mandatory in order to execute the Contract and to comply with accounting and tax obligations and any refusal to provide such data will result in the non-performance of the Contract.

21.5 As well as to individuals associated with the company (e.g. employees, agents, brokers, additional branches or offices, etc.), the data may be communicated to banks, insurance companies and, in general, to consultants and/or professionals working for the company itself.

22. General Matters

22.1. A waiver by either party of any breach or non-performance of the Contract, or of any power, right or remedy under the Contract, shall not be deemed to be a final acknowledgement of such breach or non-performance, or a waiver of any right, power or remedy under the Contract, unless such waiver is expressed in writing and signed by the party to be bound by it.

22.2. The invalidity or ineffectiveness of a clause, paragraph or other provision of the Contract, if any, shall not invalidate the entire Contract, which shall in any case remain valid and effective for the remaining part.

22.3. The Buyer is not entitled to assign this Contract or the rights or obligations arising from it without the prior written consent of the Seller.

Colorno, date _____

THE SELLER

THE BUYER

The Buyer hereby declares that it has read and understood the above-mentioned General Conditions of Contract and therefore declares that it accepts them both in their entirety and with regard to the individual clauses. In particular, the Buyer confirms that it expressly and specifically approves, pursuant to and for the purposes of Article 1341 and, to the extent necessary, Article 1342 of the Italian Civil Code, the following clauses:

7.2. (Suspending or delaying payments is not permitted); 7.3. (No entitlement to compensation); 7.7. (Suspension of deliveries); 12.3 (Power to terminate the contract); 12.5. (Delays in delivery); 13. (The Seller's right to withdraw); 14. (Limitation of liability); 15. (Warranty); 20. (Applicable Law and Court of jurisdiction)

Colorno, date _____

THE BUYER