

## **GENERAL CONDITIONS OF PURCHASE OF GOODS AND SERVICES**

### **1. SCOPE OF APPLICATION**

- 1.1. These General Conditions of Purchase (hereinafter the "**General Conditions**") shall apply to all supplies of Goods or the performance of works and/or Services made by your company (hereinafter the "**Supplier**") in favour of Cellulose Converting Solutions (hereinafter "**CCS**") in the execution of Purchase Orders that may be issued from time to time by CCS.
- 1.2. The terms and conditions contained in the Order and/or any subsequent variations thereto, including reference to these General Conditions, cancel and replace those of the Supplier's quotation, if any.
- 1.3. Any amendment or addition to these General Conditions shall be valid only in case of specific written acceptance by CCS.

### **2. PREVALENCE AND VALIDITY CLAUSE OF THESE GENERAL CONDITIONS**

- 2.1. These General Conditions shall always and in any case prevail over any general or particular Supplier's conditions of sale that it may have published or made known or cognizable for the supply of Goods and/or Services, as well as the subject of other contracts prepared by the Supplier, including any Order acceptance forms issued by CCS or, more generally, communications of the Supplier that may recall its own conditions.
- 2.2. In addition, in the event of any conflict between provisions contained in these General Conditions concerning those contained in the Supplier's single supply contracts, these General Conditions shall always prevail unless expressly and specifically waived by any special conditions set forth in CCS's individual Purchase Orders or by any conditions agreed to in writing by further communication signed by CCS and Supplier.
- 2.3. These General Conditions are subject to the "*pro tempore in force*" rule. From this, it follows that their updating may be carried out using a new contract or also by publication of the document or other substitute within the CCS website, in the latter case subject to prior written notice to the Supplier.
- 2.4. The Supplier will be automatically applied to the new General Conditions on the day following the date of publication within the CCS website. The new edition shall be given a certain date by signing the source file with an electronic signature.
- 2.5. If the conditions contained in the confirmation, if any, transmitted by the Supplier differ from those in the Order, the contract is concluded when CCS confirms in writing that it accepts the variations by issuing a variation to the Order. The execution of the Order by the Supplier, without CCS's express acceptance in the meantime of the different conditions contained in the confirmation issued by the Supplier, will result in the conclusion of the contract under the conditions contained in the Order issued by CCS (tacit acceptance of these conditions). Tacit acceptance by CCS of conditions different from the present is always excluded.

### **3. DEFINITIONS**

- 3.1 In the context of these General Conditions, the following terms shall have the meanings set forth below:
  - "**Supplier**" shall mean the supplier of Goods or Services who approves and accepts these General Terms and Conditions by affixing his signature at the bottom thereof.
  - "**CCS**" shall mean Cellulose Converting Solutions SpA with a registered office in Via A. Maj, 14 - 24100 Bergamo (BG) - Italy
  - "**Confidential Information**" shall jointly mean (i) the Technical Specifications, (ii) any other information, commercial or otherwise, relating to CCS, its materials, products, processes, services and activities, provided, in whatever form, by and/or on behalf of CCS to Supplier and/or of which Supplier has become aware in connection with the performance of the Contracts, (iii) the Results, and (iv) any notes, studies, or other

documents prepared by Supplier that contain or otherwise reflect the Technical Specifications, the information referred to in (ii) above, and the Results.

- **"Goods"** or **"Products"** shall mean the tangible or intangible goods sold by Supplier to CCS as expressly set forth in the Orders or Contracts.
- **"Contracts"** shall mean the specific contracts from time to time entered into between CCS and Supplier with the acceptance of a Purchase Order by Supplier under Section 4.2 or the issuance of a Purchase Order following a Contract Proposal by Supplier under Section 4.3.
- **"Contractual Proposals"** shall mean any proposal for the sale of Goods or performance of Services submitted in writing by the Supplier to CCS.
- **"Services"** shall mean the labour and/or intellectual services provided by the Supplier to CCS under the Contracts.
- **"Technical Specifications"** shall mean any types of technical, functional, or quality specifications relating to the Goods or how the Services are to be performed, including, without limitation, drawings, models, samples, prototypes, films, photographs, renderings, from time to time communicated in writing by CCS to Supplier or confirmed in writing by CCS.
- **"Purchase Orders"** shall mean requests for the purchase of Goods or provision of Services issued by CCS to the Supplier and having the form and content requirements set forth in Article 4.1.
- **"Results"** shall mean all results of creative and inventive activity conceived, realized or developed by the Supplier in performance or as a result of the Services, including designs, inventions, data, results, information, methods, specifications, know-how, software, photographic or filmed images, products or moulds.
- **"Parties"** shall jointly mean CCS and the Supplier.
- **"Final Customer"** shall mean the Customer of CCS.

#### 4. ISSUANCE OF PURCHASE ORDERS

- 4.1. Purchase Orders shall be issued in writing and shall contain an indication at a minimum of the following elements:
  - Goods and/or Services that are the objects of the individual Purchase Order; (if any) Technical Specifications;
  - quantity, characteristics and of the delivery terms of the Goods or Services;
  - prices, terms and conditions of payment;
  - any special conditions of purchase, even in derogation of these General Conditions.
- 4.2. Purchase Orders shall become binding on the Parties once they are accepted by Supplier by written notice within the acceptance period specified by CCS in the Purchase Order or, failing which, within four (4) calendar days of receipt of the Purchase Order (as tacit acceptance of these Conditions and the specific conditions expressed in the Purchase Order). Purchase Orders shall be deemed accepted and shall become binding on the Parties even if Supplier fails to send CCS an express written notice of rejection within the acceptance period specified by CCS in the Purchase Order or, failing that, within the period of four (4) calendar days from the sending of the same, it being understood that CCS reserves the right to revoke Purchase Orders until Supplier accepts them in writing and to reject acceptances of Purchase Orders received after the acceptance period specified above. In any event, the right set forth in 5.3 below shall remain unaffected for CCS.
- 4.3. For the purposes of these General Conditions, communications exchanged between the Parties by letter, fax, electronic mail or any other form of written business correspondence shall be deemed to have been made in writing.
- 4.4. The sale of Goods or provision of Services shall be governed by the provisions contained in the General Conditions, Technical Specifications, Purchase Orders and any documents referred to in the Purchase Orders, including Contract Proposals. In the event of any conflict or discrepancy between the Contract Proposals and the Purchase Orders or General Conditions, the contents of the General Conditions and Purchase Orders shall prevail. In case of conflict between standards, the following shall apply hierarchically: i) the General Conditions; ii) the Technical Specifications; iii) the Purchase Orders; iv) the Contract Proposals.

- 4.5. These General Conditions do not imply any commitment on the part of CCS to issue a minimum or predetermined number of Purchase Orders.
- 4.6. CCS shall have the right to terminate the Contracts at any time, including notwithstanding Art. 1373, 1st paragraph, of the Civil Code, if, in its sole discretion, it considers that the Supplier's technical suitability to regularly perform the supply of Goods or Services has ceased to exist or if, again in its sole discretion deems that the Supplier is in a state of economic difficulty such as to jeopardize the regular performance of the supply of Goods or Services and again when legal actions for the recovery of debts or executive proceedings are brought against it, or the Supplier itself is in a state of insolvency or has been admitted to any insolvency procedure, liquidation or arrangement with creditors.
- 4.7. In the event a Purchase Order or the documents referred to therein provide for the performance of Services according to a work plan structured by successive phases to which the delivery of specific results is linked, it will be left to the discretion of CCS to decide, at the end of each phase, whether or not to proceed with the phases following the first. The Supplier, therefore, will carry out the phases subsequent to the first and CCS will pay the relevant fee only upon CCS's written authorization to proceed with the next phase.
- 4.8. No exclusivity shall be granted to the Supplier.

## **5. SUPPLY CHANGES AND ORDER VARIATION**

- 5.1. During the performance of the supply, CCS may change the quality, quantity, characteristics, and/or form of the Goods and Services; such changes shall be promptly executed by the Supplier. In the event that such changes affect time and cost, Supplier shall be entitled to just additional compensation and/or an extension of the delivery period, subject to acceptance by CCS.
- 5.2. Supplier is expressly prohibited from making any changes, even partial, to (i) the Goods supplied, (ii) the material/components used in the production of the same, or (iii) the manner of performance of the Services, without prior notice to and obtaining prior consent in writing from CCS, this being because such changes could result in difficulties and/or impossibility of application of the Goods or Services on CCS products. In the event of any breach, even partial, of this obligation, CCS shall have the right to reject the Order, demand the repayment of what has already been paid and, in any case, require the Supplier to pay a penalty equal to 15% (fifteen percent) of the agreed Consideration for the supply, without prejudice to greater damages. In such cases, the Supplier may not object or dispute anything, without any reservation or exception.
- 5.3. In the case referred to in 5.2 above, and thus in the event of a variation, in whole or in part, (i) of the Goods, (ii) of the material/components used for the production of the same or (iii) to the mode of performance of the Services, the Supplier shall, within and no later than three (3) days, to be considered as an essential deadline, send any supporting technical document so as to allow CCS any broader evaluation and, if necessary, a cancellation of the Order, in whole or in part.
- 5.4. If the conditions contained in the confirmation, if any, transmitted by the Supplier differ from those in the Purchase Order, the contract is concluded when CCS confirms in writing that it accepts the variations by issuing a variation to the Purchase Order.

## **6. EXECUTION OF THE SUPPLY**

- 6.1. The supply shall perfectly correspond to what is requested and prescribed in the Purchase Order, as well as in any specifications and/or specifications relating to the execution of the Purchase Order itself whether the latter refers to the supply of products or services.
- 6.2. No supply shall be considered valid unless conferred in writing by a specific Purchase Order.

- 6.3. The execution of the Purchase Order by the Supplier, without an express rejection by CCS within the following 4 (four) days concerning the different conditions contained in the confirmation issued by the Supplier, will result in the conclusion of the contract under the conditions contained in the Purchase Order issued by CCS (tacit acceptance of these conditions). Tacit acceptance by CCS of conditions other than these conditions is always excluded.
- 6.4. The Supplier, during the performance of the Supply, undertakes to treat as confidential all technical, commercial or other information of which it becomes aware in connection with the performance of the Purchase Order (whether for the supply of products or services), remaining liable to CCS, for any economic damages, including for profit, caused directly to CCS and/or indirectly to CCS's customers. This obligation shall survive for the two calendar years following the conclusion of the last transaction made between CCS and the Supplier.
- 6.5. In the event that circumstances arise such that it is expected that the Supplier will not be able to ensure the current fulfilment of the commitments undertaken, and all the more so in the event of bankruptcy, composition or any insolvency proceedings against the Supplier's business, or in the event of liquidation or transfer of such business, CCS shall have the right to withdraw from the contractual relationship by simple written notice or by Fax.

## **7. CONSTRUCTION ON DRAWINGS, MODELS AND/OR EQUIPMENT**

- 7.1. The technical information, construction drawings, models, samples and anything else that CCS communicates or makes available to the Supplier shall remain the exclusive property of CCS and may be used exclusively for the execution of orders sent by CCS. The intellectual and industrial property rights relating to such documents also remain the exclusive property of CCS.
- 7.2. The Supplier is obliged to keep such documents, or items, with care and to return them to the same upon request; not to reproduce them, copy them, except within the authorized limits; not to transmit them or reveal their contents to third parties; not to produce or cause third parties to produce, in any capacity, parts designed or produced by exploiting the technical information received; impose or guarantee compliance with the above obligations on third parties with Him cooperating in the scope of order execution.
- 7.3. The Supplier acknowledges as unlawful the manufacture and trade of products obtained by exploiting information and techniques referred to in Section 7.1, outside of supplies to CCS and in any case even after any relationship with CCS has ceased.
- 7.4. In the event CCS receives drawings and/or other technical documents from the Supplier, these shall unless otherwise agreed in writing, be deemed to be freely usable by CCS, even after the relationship with the Supplier has ceased.
- 7.5. Supplier shall provide CCS with technical documents as required by the nature of the Goods or Services from time to time covered by the Purchase Order, which shall be delivered together with the material or otherwise in the time required. If changes or additions are required, the Supplier shall promptly transmit the technical documents, modified as requested by CCS.
- 7.6. The Supplier shall, upon termination of the relationship, return, without any delay, all materials received from CCS or provide certain evidence of their destruction.
- 7.7. The Supply of commodity categories, products and services that under Italian and European law provide for suitable and exhaustive documentation to enable their correct use and maintenance as well as certification attesting compliance with the safety requirements provided for by law, must be provided irrevocably and at the same time as each supply.

## **8. PROCUREMENT OF MATERIAL FOR PROCESSING**

- 8.1. It is the right of CCS to demand from the Supplier documentation attesting to the quality of the material procured (certificates of analysis, tests on materials and mechanical/chemical/physical characteristics) without any charge whatsoever unless agreed in advance by the parties. Such documentation, if requested, shall be sent together with the material in the Purchase Order.
- 8.2. CCS remain the owner of the materials supplied on the contract unless explicitly agreed otherwise in writing.
- 8.3. The Supplier must store at its own expense the material received on account of work, with the obligation to use it only for the execution of the Purchase Orders given to it by CCS and to ensure its good preservation, observing the necessary rules of prudence and diligence. Storage shall be done in such a way as to keep separate what is owned by CCS from what is owned by the Supplier and/or third parties. It must also allow CCS to check, during normal working hours, their state of preservation and use without the need for any prior notice.
- 8.4. In the event that, for the performance of the Supply, the equipment or part of it is supplied directly by CCS or on its behalf, the Supplier is obliged to guard it with the utmost diligence, being directly responsible for any loss, theft, breakage or any damage caused to it, also in accordance with art. 1806 of the Italian Civil Code. In this case, CCS must be immediately informed of the event that has occurred.

## **9. EXAMINATION OF THE GOODS AND VISITS (QUALITY CONTROL)**

- 9.1. The Supplier guarantees the quality conformity of the supplied product to the requirements of CCS. Packaging, labelling, shipping, and transportation of the goods ordered shall be done in accordance with any requirements specifically requested by CCS and/or otherwise in a workmanlike manner so as to prevent any damage during transportation or handling.
- 9.2. The mere delivery or payment of the goods cannot under any circumstances be considered as acceptance of the same, which shall be deemed accepted only after the successful performance of tests, by the competent bodies of CCS in accordance with the procedures, including Quality Assurance procedures adopted by CCS.
- 9.3. CCS reserves the right to reject non-conforming materials by sending them freight collected to the Supplier. Such materials shall be made compliant or replaced within three (3) calendar days of receipt of notice of non-conformity and sent freight collect to CCS. All unless otherwise ordered by CCS characterized by urgency requirements.
- 9.4. The Supplier may send its own personnel to CCS, by prior arrangement, to view the means and procedures used in receipt control and acceptance testing. The adoption of the same means of inspection by the Supplier is desirable.
- 9.5. If the rejected goods are found to be overdue on the agreed terms and in cases of proven urgency to dispose of them, CCS reserves the right to make the selection of conforming parts and, if necessary, to perform the processing necessary to bring the goods, or part of them, into conformity, charging the Supplier for the related expenses on the final settlement.
- 9.6. The Supplier, in the course of processing one or more Orders, shall allow within a reasonable period of time one or more visits by personnel of CCS and/or its principal(s) and/or its certifiers and/or their inspectors.
- 9.7. CCS shall have the right to conduct audits at the Supplier's premises, including by means of telecommunications, either for the possible verification of the Product and/or Service or for the acceptance of the Product and/or Service itself, or on the quality system implemented within the Supplier's organization. The methods and extent of the audit will be agreed upon with the Supplier from time to time.

## **10. SUPPLIER'S WARRANTY**

- 10.1. The Supplier warrants that the goods, product, service, workmanship, etc. will be completely free from any defects and/or faults and will fully comply with all applicable applicable statutory provisions.
- 10.2. The Supplier also warrants, for a period of not less than that established by the laws or directives of the European Union, and in any case, not less than 2 years, the proper functioning of what has been supplied and/or manufactured, also guaranteeing its suitability for the use intended by CCS.
- 10.3. Anyway, the Supplier warrants that the Goods and Services will:
- comply with applicable regulations and the best safety standards;
  - conform to the provisions of the General Conditions, Purchase Orders, Contracts and Technical Specifications;
  - free from defects in design, manufacture or preservation;
  - compatible with any parts to be assembled or fitted to the Goods by the Technical Specifications or other information provided by CCS;
  - suitable for the use for which they are customarily intended;
  - conforming to the characteristics and quality of the specimens submitted by the Supplier as samples or models.
- 10.4. If the Goods or Services are found to be defective or nonconforming to the warranties set forth in Article 10.3, CCS shall have the right to
- a) suspend payments due to Supplier in respect of the non-conforming Goods or Services for the lot in which the non-conforming Goods were found;
  - b) be issued a credit note no later than 10 (ten) days after CCS has been notified by CCS of the nonconformity. Upon expiration of such period, CCS shall be fully entitled (i) to issue direct invoices and (ii) to offset such credit against outstanding debts with the Supplier.
- 10.5. In the event that Goods already placed on the market are found to be defective, non-compliant with the Technical Specifications, or otherwise dangerous, Supplier agrees to cooperate with any recall campaign or withdrawal of the Goods from the market that CCS may implement and to reimburse CCS for the costs of the recall campaign, including the cost of the hours/labour of CCS personnel and outside consultants used for the recall campaign. Therefore, the Supplier shall be liable for damages caused by defects in the Product or Service provided and shall arrange at its own expense for appropriate and adequate product liability insurance.
- 10.6. The warranties and remedies expressly foreseen in this Article 10 shall be construed as additional and not substitutes of the other remedies and warranties provided by law in the event of defects in or non-conformity of the Goods or Services. The period for reporting defects or non-conformities in the Goods or Services shall be thirty (30) days from the discovery thereof.
- 10.7. If defects and/or flaws are found in what is supplied during the warranty period, the Supplier shall be charged with any recourse charges that may be charged to CCS by its End Customers, after a joint examination of the parts found to be defective or non-conforming.
- 10.8. In any case, CCS shall have the right to claim compensation for greater damages resulting from the non-conformity of the purchased product. In the particular case of failure to achieve performance stated in a commercial offer, the Supplier shall be held liable for consequential damages and thus to bear all costs necessary to achieve the performance legitimately expected. Should this goal not be achieved within a reasonable time frame agreed with CCS, CCS reserves the right to return the goods to the Supplier who, in turn, agrees to return the full amount already paid to CCS and an appropriate penalty for both the image damage caused and to compensate the end user customer of CCS.
- 10.9. In the event that CCS is sued for civil and/or contractual liability, or is alleged to have violated legal requirements (safety, pollution, etc.) as a result of defectiveness, non-conformity, or non-reliability of what is supplied, the Supplier shall be obliged to hold CCS harmless and compensate it for any damages it may have suffered. CCS is obliged to inform the Supplier within three working days of learning of the possible violation of the standard, or from the date of its summons, whichever is earlier.

## **11. TOLERANCE ON PRODUCT QUANTITIES.**

- 11.1.CCS is obliged to accept only the quantities ordered. Any tolerances on quantities must in all cases be expressly agreed upon and accepted in writing by CCS.
- 11.2.Partial fulfillments in terms of quantity or quality on individual orders must be authorized in advance in writing by CCS.
- 11.3.In the event that a quantity nonconformity is found upon receipt inspection, CCS may choose from the following options:
- a) accept the greater quantity delivered on account of expected subsequent deliveries resulting in payment terms commencing from the first following month with expected delivery;
  - b) return the surplus to the Supplier, at the Supplier's risk and expense;
  - c) to ensure that the Supplier immediately makes up the missing part of the supply, it is understood that any increased slippage of the expense for the immediate integration will be borne by the Supplier.

## **12. TERMS AND METHODS OF DELIVERY**

- 12.1.The delivery terms established through the order confirmation process are binding. Therefore, in addition to delays, early deliveries with respect to scheduled deliveries are to be excluded unless explicitly authorized in writing. The scheduled delivery date is to be considered decisive for the purpose of applying both the agreed price and payment terms.
- 12.2.The goods must be accompanied at the same time by a suitable transport document in accordance with the law (transport document or, if mandatory, *packing slip*). It must contain the following: i) item identification (code), ii) description, iii) revision level, iv) quantity, v) Order number issued by CCS.
- 12.3.Identification codes must be reported on each individual drawing component supplied whether it is required to be assorted or assembled within an assembly.
- 12.4.CCS reserves the right to reject the goods, at the Supplier's risk and expense, if the shipping documentation is missing or does not contain all of the above data.

## **13.DEFAULT IN DELIVERY AND PENALTIES**

- 13.1.The delivery terms stated in the 'Purchase Order must be confirmed by the Supplier, who undertakes to comply with the date communicated in the order confirmation. Delivery of Goods and Services shall be made at the place of business indicated on the order unless agreed with the logistics manager. CCS has the right to reject any Goods or Services received before the agreed deadline or to charge the Supplier for storage costs and finance charges related to the period of early delivery.
- 13.2.The delivery terms shall be deemed extended and the new delivery term shall be established by mutual agreement between the Parties when causes beyond the Supplier's control arise that prevent it from regularly executing the Order.

Only force majeure causes, as provided for in the Italian Civil Code, shall be considered as measures likely to delay the execution of the Order.

Under no circumstances will delays by any sub/suppliers be considered force majeure.

In any case, the Supplier is obliged to give immediate written notice, via email, to CCS of the occurrence and cessation of force majeure causes, which reserves the right to terminate the contract ex-art 1456 cc.

- 13.3.In the event of a delay in delivery (even partial) not due to force majeure (see section 13.2), CCS shall have at its option the following rights:



- cancel with immediate effect the Order in full right, under and to the effects of article 1456 of the Italian Civil Code, by written notice by email to the Supplier;
- to procure elsewhere and at any time, in whole or in part, the parts ordered, (i.e. outside the cases provided for in Article 1516 of the Italian Civil Code) at the Supplier's expense and risk, with the sole burden of giving written notice thereof to Supplier.

The provisions herein shall in no way limit the Supplier's liability, without prejudice to CCS's right to be awarded compensation for emerging damages and lost profit due to the acts or omissions of the Supplier and/or its successors and/or assigns.

13.4. In case of non-compliance CCS reserves the right to apply a penalty equal to 5% of the value of the component on the purchase order. In case it refers to a part present within a group, the reference value on which to apply the penalty is that of the value of the group. Charging requests will be sent on a quarterly basis and by email.

13.5. In addition to the remedies set forth in Sections 13.3 and 13.4, in any case of delayed, non-delivery, incomplete or non-conforming delivery of the Goods or performance of the Services with respect to what was requested in the Order, not due to force majeure, CCS at its sole discretion may also avail itself in whole or in part of the following rights:

- (i) suspend payments due to Supplier in connection with delayed, failed, incomplete, or discrepant delivery or performance;
- (ii) require delivery of the goods by air (where applicable) at Supplier's expense;
- (iii) seek compensation for any additional damages directly caused to it by the delayed, non-delivery, incomplete, or dissimilar delivery of the Goods or performance of the Services, including but not limited to downtime costs at hourly rates, logistics costs, and any additional costs incurred by CCS to purchase the Goods or Services from other suppliers as a result of Supplier's default.

13.6. The remedies set forth in Article 13 are in addition to and not in lieu of other remedies available to CCS under applicable law, such as the right to sue to obtain performance of the Contracts.

## **14. INVOICES AND DELIVERY REMITTANCES**

14.1. Invoices pertaining to what has been delivered shall be issued monthly and each invoice shall cover the products and services delivered and/or disbursed in the relevant calendar month. Invoices about multiple deliveries shall contain:

- i) an indication of the transport documents and/or bills of lading for travelling goods
- ii) an indication of the orders issued by CCS to which they relate.

14.2. CCS reserves the right to reject incomplete invoices with the above and/or mandatory statutory elements.

14.3. The Supplier assumes the obligation to issue invoices within the terms and according to the provisions of the law. The Supplier shall also indemnify CCS, assuming the relevant obligation, for any defects or deficiencies in the invoicing of products and/or services purchased by CCS

14.4. Under no circumstances may an invoice be issued before the actual delivery of the goods, unless expressly waived in writing.

14.5. If additional services such as factory testing, start-up, and/or site/yard testing are provided for in the order/contract, the invoice may be issued only after the successful performance of such services.

## **15. PAYMENTS - PRICES - COLLECTION CHARGES**

15.1. The amount of the price for the Goods and/or Services to be supplied shall be set forth in the Purchase Orders or established in separate written agreements between the Parties. The prices set forth in the Purchase Orders



accepted under Article 4.2 shall be fixed and not subject to revision or adjustment. Likewise, once agreed for a specific period, unless otherwise agreed in writing between the Parties, prices will be fixed and not subject to revision or adjustment for the agreed period.

- 15.2. Unless otherwise agreed in writing between the Parties, the established price shall not include transportation costs, insurance costs and/or any additional expenses, which shall remain the sole responsibility of the Supplier.
- 15.3. Unless otherwise agreed, prices are DDP/DAP (INCOTERMS 2020) CCS warehouse indicated in the Order and include packaging necessary to ensure the integrity of the product. Value Added Tax (VAT) is excluded unless otherwise specified.
- 15.4. Terms and method of payment shall be set forth in the Purchase Orders, and invoices or established in separate written agreements between the Parties. Failing this, payment will be made by wire transfer to a bank account specified by the Supplier and confirmed vis-a-vis (including by videoconferencing) between the Parties within ninety (90) days of the end of the month of receipt of the invoice and copy of the bill of lading (if applicable). Payment shall in all cases be contingent upon delivery to CCS of the Goods or performance of the Services. CCS will make payments only and exclusively on IBANs confirmed vis-a-vis (including by means of video conferencing) by the Supplier. Therefore, any changes in IBANs must always be communicated in advance and confirmed vis-a-vis (including by means of videoconferencing puts), under penalty of their ineffectiveness against CCS.
- 15.5. It is understood that CCS may suspend or delay, in whole or in part, the payments of invoices on the due dates in the event of defaults, even if only partially, by the Supplier concerning the provisions set forth in these General Conditions.
- 15.6. CCS will make payment in the agreed manner and on the agreed due date, subject to the Supplier's compliance with the following conditions:
- manner specified in the Order,
  - receipt of the duly completed documents as provided in item 7.
  - eventual successful testing as per item 9.
- 15.7. The Supplier is expressly prohibited from issuing drafts for payment of invoices unless expressly authorized. Any drafts issued will not be collected and the Supplier will be held liable for all damages and expenses resulting from their failure to collect them.
- 15.8. It is expressly understood that credit arising from the supply to CCS shall not be subject to assignment or delegation in any form whatsoever.
- 15.9. No variations whatsoever in the prices stated in the Order shall be permitted. No variation shall under any circumstances be deemed accepted unless expressly notified in writing to that effect.
- 15.10. Charges for collection fees, stamps and ancillary charges shall not be accepted. No payments will be made, under any mode, which contains the above costs and charges, unless expressly authorized to that effect by the CCS Administration.
- 15.11. For transactions, the bank of support shall be strictly indicated on the Order.

## **16. SUBCONTRACTORS**

- 16.1. The Supplier may, under its sole responsibility and with the prior written permission of CCS, entrust in whole or in part the production or processing of the Goods or the performance of the Services to third parties, committing in this case, to procure the punctual respect, on the part of these third parties, of the duties and obligations provided for in the order and in these General Conditions. It is understood that these parties will not enter into any contractual relationship with CCS, as a result of which the Supplier will remain solely and exclusively responsible to CCS for the proper performance of the contractual relationship.

16.2. Given the fiduciary nature of the relationship, CCS reserves the right to terminate the contract, with immediate effect, if it ascertains that the Subcontractor commissioned by the Supplier does not have the experience, skills, technical-professional ability, personnel and technology.

16.3. All obligations, including the confidentiality obligation, set out in Article 19 below shall also be valid and effective vis-à-vis subcontractors.

## **17. INTELLECTUAL PROPERTY AND ADMINISTRATIVE AUTHORIZATIONS**

17.1. The drawings, specifications and any technical documents that will be made available by CCS remain the exclusive property of the latter and may be used exclusively for the execution of the Purchase Order.

17.2. The Supplier declares and guarantees:

- a) that the Goods, their components and accessories, or the Services provided and the Results do not constitute a violation of patents, trademarks, models, copyrights or other intellectual and industrial property rights of third parties;
- b) be fully entitled to transfer to CCS the full right to use, incorporate and market the Goods or Services provided.

17.3. In the event that a request from a third party or an investigation or decision of the judicial or administrative authority states establishes or implies that the requirements set out in art. 17.2, even if they are provisional or precautionary, or have as their object or effect the impossibility of using the Results or marketing the Goods or any products in which the Goods, the Results or the Services are incorporated as a result of the non-fulfilment of the requirements set out in art. 17.2, in addition to the remedies provided for in this contract, CCS shall be entitled to terminate ex. Art. 1456 of the Italian Civil Code the Contracts without prejudice to the right to compensation for damage.

17.4. The Supplier recognizes and acknowledges that neither these General Terms nor the Contracts in any way imply a transfer or licensing to the Supplier of CCS' intellectual property rights.

## **18. COMPENSATION AND DAMAGES**

18.1. The Supplier agrees to indemnify, hold harmless and indemnify CCS against any direct or indirect damage, cost, expense or liability, including those arising from claims of third parties, which are a direct or indirect consequence of:

- a) breach of the guarantees provided for in Article 10.2 or 17.2;
- b) breach of the Supplier's obligations under these General Terms and Conditions;
- c) the need to defend against third-party claims which, if deemed justified, would result in a breach of Supplier's warranties and obligations under Articles 10.2, 17.2 or 19;
- d) any other breach of the Contracts, the Technical Specifications and the General Conditions.

18.2. In particular and by way of example, the Supplier shall indemnify and hold harmless CCS from any product liability that may arise on the part of CCS as a result of defects in the Goods or Services provided.

18.3. The obligation of compensation and waiver referred to in this article is not subject to the time limit constituted by the Warranty Period nor to the expiry date provided for in art. 13.6.

## **19. PROHIBITION OF ADVERTISING - OBLIGATION OF CONFIDENTIALITY**

19.1. Any advertising that refers to deliveries made to CCS must be authorized by CCS itself.

19.2. Supplier acknowledges and agrees that CCS owns the Confidential Information and any related intellectual property rights.

19.3. The Supplier shall:

- (a) keep confidential and not disclose to any third party;
- (b) Take all measures and precautions reasonably necessary and appropriate to prevent the unauthorized disclosure and use of Confidential Information;
- (c) use the Confidential Information only as necessary for the performance of the Contracts;
- (d) not to reproduce or copy the Confidential Information except as expressly authorized by CCS;
- (e) not patent, nor register as a trademark, design or model any information or data contained in the Confidential Information;
- (f) limit the disclosure of Confidential Information within your organization to those employees whose assignments justify the need to know such Confidential Information;
- (g) inform employees within their organization that they become aware of the Confidential Information and the confidentiality commitments relating to it;
- (h) not to develop for third parties and/or provide third parties, in any capacity, directly or indirectly, with Goods obtained by exploiting the Confidential Information;
- (i) to impose and ensure compliance with the obligations arising from this Article on any third party to whom the Supplier must transmit the Confidential Information in the course of the execution of the Contracts, It is understood that the Supplier will be liable to CCS for any breach of its obligations under the article 19 with respect to the Confidential Information committed by that third party.

19.4. Neither these General Conditions nor the disclosure of Confidential Information provided herein shall be construed as a source for the Supplier of rights to patent licensing, patent applications or any other industrial property rights on information and data included in the Confidential Information.

## **20. INSURANCE**

20.1. Without prejudice to the Supplier's liability towards CCS, the Supplier undertakes to subscribe and maintain in force for the duration of the business relations between the Parties an appropriate insurance policy covering the civil liability arising from the sale of the Goods or performance of the Services, with a ceiling proportionate to the value of the Goods or Services.

20.2. Upon request by CCS, the Supplier will make available to CCS a copy of the insurance policy referred to in Article 20.1 and the certificate of payment of the relevant prize.

20.3. If the policy does not cover or is insufficient, the Supplier will be fully responsible for this, and CCS will be obliged to do so.

## **21. PACKAGING**

21.1. The packaging of the Goods or that supporting the delivery of the Services provided subject to the Order must be suitable for the purpose, including the destination and means of transport used. Unless otherwise stated in the Order, all costs related to packaging are borne solely by the Supplier.

21.2. The Supplier is solely responsible for the proper packaging of the Goods, which must be arranged in such a way as to ensure the perfect integrity of the Goods or Services upon delivery to CCS. In the event of transport damage attributable to improper packaging, the Supplier shall be responsible for compensating for the related damages.

## **22. EXPRESS TERMINATION CLAUSE**

22.1. CCS may at any time terminate the Contracts under art. 1456 of Italian Civil Code by written notification to the Supplier and with effect from the date that CCS will indicate in the same communication if the Supplier:

- (a) fails to comply with the obligations of confidentiality and limitation of use set out in Art. 19;
- (b) becomes a member, partner, or is in any way controlled, even indirectly, by a competitor of CCS;

- (c) seriously damages the reputation of the start-up of CCS or its products;
  - (d) Fraud or gross negligence in the performance of the supply such as to damage the image or interests of CCS;
  - (e) the Supplier's delay in delivery;
  - (f) deterioration of the Supplier's financial/capital conditions such as compromising the proper delivery;
  - (g) legal proceedings against the Supplier which may compromise or damage its image or reputation or CCS's image and reputation;
  - (h) liquidation, cessation of business or insolvency of the Supplier, or submission to any kind of bankruptcy proceedings (including debt restructuring agreements or arrangements with creditors).
- 22.2. Termination of the contractual relationship will only be effective for deliveries not yet performed at the date of termination unless CCS wishes otherwise.

### **23. APPLICABLE LAW AND JURISDICTION**

23.1. The General Conditions and the Contracts are governed by Italian law.

23.2. Any dispute that may arise between the Parties and that should not be resolved amicably, will be subject to the exclusive jurisdiction of the Court of Bergamo, with the exclusion of any other competent court.

### **24. PROCESSING OF PERSONAL DATA – PRIVACY**

24.1. The Parties give each other consent to the processing of their personal data for the purposes inherent in the execution of the supply relationship or contract (if any). These data will not be communicated except to the subjects necessary for the performance of the functions (for example, administrative and accounting studies). The Parties shall have the right to request, at any time, access to, confirmation of the existence or otherwise of the same data and to know its content and origin, verify its accuracy or ask for it to be supplemented, updated or corrected, to obtain the data concerning them in a structured format, commonly used and readable by automatic device (Article 12 et seq. of EU Regulation 2016/679). Pursuant to the same articles, the Parties have the right to request the deletion, transformation into anonymous form or blocking of data processed in violation of law, as well as to oppose in any case, for legitimate reasons, to their processing and to submit a complaint to the competent Data Protection Authority (Personal Data Protection Supervisor) if they consider that the processing of Personal Data is contrary to current legislation.

24.2. Each of the Parties acknowledges that, in the course of the performance of the Services or the supply of goods, information may be exchanged between them, data and/ or news that are protected under EU Regulation 679/2016, which contains provisions for the protection of individuals and other subjects with regard to the processing and protection of personal data.

24.3. For this purpose, the Parties undertake to comply with all the obligations provided by the aforementioned EU Regulation 679/2016 in the execution of the supply relationship or contract (if any), assuming all related responsibilities.

### **25. FINAL PROVISIONS**

25.1. Any agreement between CCS and the Supplier shall be deemed to have been concluded at the headquarters of CCS located in VIA ANGELO MAJ 14 - 24121 - BERGAMO (BG)

25.2. The invalidity, nullity or ineffectiveness of one or more clauses of these General Conditions shall not result in the invalidity, invalidity or ineffectiveness of the remaining clauses of the General Conditions. CCS reserves the right to amend the clause in good faith in order to make it legitimate.

25.3. Any tolerance by one of the Parties to acts or omissions of the other Party that are in violation of the provisions of these General Conditions may not be interpreted as a waiver of the rights arising from the provisions violated nor the right to demand the exact the fulfilment and possible compensation of the damage.

25.4. All communications, information and notifications shall be made at the registered offices of the Parties.

25.5. This contract may not be transferred or subcontracted, in whole or in part, to third parties without the prior written consent of CCS.

25.6. The annexes form an integral and substantial part of these General Conditions.

Bergamo, [16/06/2025]