
	<b>GENERAL TERMS AND CONDITIONS OF SUPPLY</b>	<b>SFRG-GTCS</b>
		<i>Rev. 1 dated 08/02/2024</i>

**REVISIONS  
HISTORY**

<b>REVISION NO.</b>	<b>DATE</b>	<b>MODIFIED §</b>	<b>MODIFICATION DESCRIPTION</b>
0	22/12/2017	--	FIRST ISSUE
1	08/02/2024	Modified § 1,2,3,4,5,6,7,8,9,10	Document fully revised

<b>GLOBAL SALES</b>	<b>QA</b>	<b>LEGAL</b>	<b>CEO</b>
Davide Galati	Girolamo Brazzale	Marco Borgo	Daniele Crose

	<b>GENERAL TERMS AND CONDITIONS OF SUPPLY</b>	<b>SFRG-GTCS</b> <i>Rev. 1 dated 08/02/2024</i>
--	---	--

### Scope and applicability

- 1.1 These general terms and conditions of supply (“**GTC**”) are an integral and essential part of and shall therefore apply to any sale and supply agreement (the “**Agreement**”) entered into between Siderforgerossi Group SPA. (hereinafter “**SFRG**” or the “**Supplier**”) and its clients (hereinafter the “**Purchaser**” or the “**Client**” and, collectively, the “**Parties**”) whose object is the sale of forged, machined and/or product to be manufactured and/or anyhow supplied by SFRG the Parties in writing in a variation document.
- 1.3 In no event shall any general condition of any nature inserted and/or specified in the Client’s forms and/or in other documents sent to SFRG by the Client, and/or of which SFRG has been made aware in any manner whatsoever, apply to the Agreement and/or to any other supply of the Product. Specific terms and/or conditions of supply shall apply to the Agreement only if reported in SFRG’s order confirmation. Any further change and/or amendment shall be binding and valid only if accepted in writing by both parties.

### 2. Agreement

- 2.1 After receiving the Supplier’s offer for the Supply (the “**Offer**”), the Purchaser shall send to the Supplier an order, whatever its form, which includes the designation of the ordered Supply, the deadlines and the price (hereinafter the “**Order**”).
- 2.2 Upon receipt of the Order, SFRG shall issue an order confirmation where schedule and details of the Supply shall be included (the “**Order Confirmation**”). The Agreement shall be deemed as concluded, executed and legally valid as of the date of receipt by the Purchaser of the Order Confirmation (the “**Contract**”). The Supply shall be carried out in accordance with the provisions set forth in the Order Confirmation.
- 2.3 Any modification included in the Order Confirmation, with respect to the Order shall be considered as a counterproposal and shall be considered as automatically accepted by the Client should no new comments or objection be issued within 7 days as of receipt of the Order Confirmation.
- 2.4 Should the Purchaser ask for amendments of the ordered Supply, after receiving the Order Confirmation, SFRG:
- (i) shall not be obliged to accept such amendments;
  - (ii) reserves the right to assess their feasibility and charge back any and all costs related thereto;
  - (iii) shall be entitled to withdraw from the Contract should it consider such amendments non feasible or non-convenient under an economic point of view, and in such a case SFRG
  - (iv) shall be entitled to charge the Purchaser of any costs actually incurred before the withdrawal date.
- 2.5 Both the Offer and the Order Confirmation are deemed to include and refer to these GTC, which are an integral and essential part of the Contract.

### 3. Delivery, Transfer of risk, delay

- 3.1 SFRG will send to the Client a notice for products ready for delivery (the “**Notice**”). Unless otherwise agreed in writing, the Product shall be delivered Incoterms® 2020 ex-works SFRG’s plant. The risk of Product’s damage or deterioration during the transportation shall therefore lie on the Purchaser. The risk is considered transferred to the Purchaser on the dispatch date stated in the Order Confirmation or in any case on the date when the Notice is submitted to the Client. All costs referred to the supplied Product’s weighing, shipping and packaging and/or in general their dispatching shall be borne exclusively by the Client.
- 3.2 Unless otherwise agreed in writing by the Parties as expressly mentioned in the Order Confirmation, the use of pallets for dispatching raw material parts shall not be included in the Supply and SFRG shall be entitled to invoice to the Client the relevant costs to be paid as per paragraph 3.3 hereunder.



## GENERAL TERMS AND CONDITIONS OF SUPPLY

SFRG-GTCS

Rev. 1 dated  
08/02/2024


- 3.3 The Client authorizes SFRG in advance to invoice the agreed amount for the pallets within 10 days from the shipping date issued in the order confirmation and payment shall take place before delivery.
- 3.4 In case of a delay in the collection of the Product exceeding 10 days from the date of Notice, the Client shall bear all the expenses concerning the occupation of the warehouse, granting to SFRG a consideration to be calculated according to a fee to be negotiated from time to time, with a minimum of € 1.000 per any month and/or fraction of month of delay.  
In case of late collection of the Product after 60 days as of the date of Notice, SFRG will have the right to early terminate the Agreement and to sell the Product to other clients.  
In any case, the risk of damage, deterioration and/or theft of the Product shall be borne by the Client from the initially agreed delivery date.
- 3.5 Unless expressly agreed, delivery dates shall not be considered as of essence, thus the Client shall not be entitled to terminate the Contract or cancel the Order in case of late deliveries, unless delay exceeds 20 weeks. In no case the client shall be entitled to claim for damages for late deliveries.

### 4. Price and Payment

- 4.1 Unless otherwise agreed in writing between the Parties, the price for the Supply indicated in the Order Confirmation (the "**Price**") shall be deemed as excluding (i) any taxes or duties, as well as (ii) costs and expenses for shipping and dispatching.
- 4.2 Payment conditions shall be included in the Order Confirmation and shall be mandatory and irrefutable. Any advanced payment shall be considered as down-payment.
- 4.3 Should the costs for manufacture and/or delivery of goods increase with respect to the situation on the date of the Order Confirmation because of a Purchaser's act or omission, any additional cost resulting therefrom shall be borne by the Purchaser. Without limitation to the generalities of the foregoing, the following events shall be deemed as Purchaser's act or omission: (i) delaying submission of the technical specification, (ii) inaccuracy of such technical specification, (iii) inconsistency between subsequent technical specifications sent by the Purchaser.  
SFRG shall inform the Purchaser in writing of any additional costs resulting from the above-mentioned events. Such additional costs shall be borne by the Purchaser.
- 4.4 Any late collection or non-collection of the Product by the Client shall not cause an extension and/or postponement of the terms of payment.
- 4.5 In case of late payments, the Client shall pay interests on the unpaid amount at the rate provided by the applicable law specified below.
- 4.6 SFRG shall be entitled to suspend the delivery of the Product: (a) should the Client's assets and/or financial standings endanger the relevant payment; (b) should the Client fail to timely pay Product previously supplied by SFRG, also on the basis of other contractual relationships, until full payment of the outstanding credit and/or until receipt of proper guarantees for any delivery in progress, without prejudice to SFRG's right to claim for any damages suffered as a consequence thereof.


### 5. Warranty and Liability

- 5.1 SFRG represents and guarantees that the Product:
- (i) will be made of the materials indicated in the Order Confirmation;
  - (ii) will comply with the tests provided in the Order Confirmation, if any;
  - (iii) will be supplied free from defects or other manufacturing faults for twelve months as of the delivery date.
- 5.2 The Purchaser shall check Product compliance with the requirements set forth in the Order Confirmation upon their delivery and in case of Product defects or non-conformity to the Order Confirmation it shall inform SFRG in writing by and no later than 8 (eight) days as of the date of delivery. In this case, the

	<b>GENERAL TERMS AND CONDITIONS OF SUPPLY</b>	<b>SFRG-GTCS</b>
		<i>Rev. 1 dated 08/02/2024</i>

Purchaser shall submit any useful information in order to allow an immediate control by SFRG and in particular, it shall precisely identify the defect and make the defective product available to SFRG for a countercheck.

- 5.3 The Purchaser shall not be entitled to the warranty provided herein and therefore the Product shall be deemed fully accepted in the following cases:
- (i) when the 8-day term as of the date of delivery elapses without the Purchaser having informed SFRG about the Product' defect;
  - (ii) when the Product having visible defects have been installed.
- 5.4 In any case, the warranty provided by these GTC shall be applicable only upon the following conditions:
- (i) the Purchaser or its final client have stored and/or processed the supplied material correctly;
  - (ii) any claim include documentation giving clear evidence of the defects;
  - (iii) the twelve-month warranty duration has not expired yet.
- 5.5 Product defects, which cannot be verified by the purchaser incoming inspection ("latent defects"), shall be reported in writing to SFRG by email within 8 (eight) days from their discovery, and in any case within the above mentioned warranty period. The burden of the proof of such discovery shall lie with the Client.
- 5.6 Provided that any and all conditions set forth in these GTC are met, the warranty entitles the Purchaser to ask for the repair or replacement of the defective Product, which shall occur pursuant the GTC applicable to the original Product.  
SFRG shall be entitled at its sole discretion to decide whether repairing or replacing the defective product. Repairing or replacing shall be the only SFRG warranty obligation, it being expressly excluded any other remedy for the Client.
- 5.7 Without prejudice to the generalities of the foregoing, SFRG shall not be held liable and therefore the warranty is expressly excluded:
- (i) for defects of the Product arising from alteration and/or modification of the Product that have not been authorized in writing by SFRG;
  - (ii) for inconsistencies and/or defects in case of Purchaser's improper use of the Product such as additions or removal of components, unauthorized personnel work;
  - (iii) for inconsistencies and/or defects in case of Purchaser's neglect in installation or installations in noncompliant environments, negligence of the same, deposit and/or maintenance of the Product not in compliance with SFRG's instructions;
  - (iv) for normal wear and tear of the Product and/or of any of their components or materials;
  - (v) for any direct or indirect damages that may occur to persons or property when the Product are used in a manner not complying with the needs stated in the purchase order documentation;
  - (vi) for any other cause not due to SFRG's negligence.
- 5.9 Without prejudice to the compulsory product's liability law and any liability for willful misconduct and/or gross negligence, SFRG shall not be liable for direct, indirect or incidental damages caused to the Client and/or to third parties as a consequence of the defects of the Products.
- 5.10 In no case shall the aggregate SFRG's liability for damages arising out of defects of the Product, pursuant to the Agreement, exceed their aggregate price. In the event that Siderforgerossi is proved to be liable for field failures, when Product is installed, it shall be considered liable for costs up to the forgings price stated on the order confirmation for the defective Product
- 5.11 Any disputes concerning a single delivery shall not relieve the Purchaser from the obligation to collect and pay the remaining quantity of the ordered Products provided by the specific order or from other orders not involved in the defect.

	<b>GENERAL TERMS AND CONDITIONS OF SUPPLY</b>	<b>SFRG-GTCS</b> <i>Rev. 1 dated 08/02/2024</i>
--	---	--

**6. Force majeure**

- 6.1 In case of SFRG breach of obligations caused by a fortuitous event, force majeure or other causes not depending on SFRG's willful misconduct and/or gross negligence, the Purchaser shall not be entitled to claim any compensation for damages, nor to ask for the termination of the Agreement and/or price reduction.
- 6.2 By way of example and without limitation to the generalities of the foregoing, the following events shall be deemed as force majeure: strikes, blocks interruptions or disturbances of the transport services, fires, storms, floods and other natural disasters, epidemics and pandemics and global difficulties in the supply chain.
- 6.3 Should force majeure events arise, SFRG shall give the Purchaser prompt communication within 5 (five) working days as of the date of the event, specifying its nature and the suspension's duration provided by SFRG, being it total or partial.

**7. Inspections and visits at Siderforgerossi Group S.p.A. plants**

Client's visits to SFRG shall be agreed in advance between the involved parties. The visitors shall normally have access to the laboratory and packing department. Access to the manufacturing departments for Client's technicians shall require a special written agreement in advance.

**8. Industrial and intellectual property rights**

- 8.1 The Client hereby acknowledges that the trademarks, also if not registered, invention, patents and other intellectual property right related to the Products as well as any and all patterns, specifications, samples, designs, technical information or data related to the Product are and shall remain the exclusive property of SFRG.
- 8.2 The Client shall not make any modifications to the Products nor alter, remove or in any way tamper with the trademarks or any plate, trade name, information or number affixed or printed thereon.
- 8.3 The Client shall not disclose the confidential information related to the Products, SFRG and its commercial and industrial organization.

**9. Applicable Law and Jurisdiction**


- 9.1 The Supply shall be governed by the Italian law, thus expressly including the 1980 Wien Convention on the International Sale of Goods (CISG).
- 9.2 All disputes arising out of or relating to these GTC and/or to the Supply shall be exclusively submitted to and settled by the Court of Vicenza, Italy. As an exception of the above, SFRG shall be entitled to bring an action before the Court where the Client has its registered office.
- 9.3 Should the registered office of the Client be outside the UE, Switzerland, Iceland and Norway, all disputes - included those of not contractual nature - arising out of, related or connected to each Supply shall be settled by arbitration under the Rules of the Milan Chamber of Arbitration (the Rules), by a sole arbitrator appointed in accordance with the Rules, which are deemed to be incorporated by reference into this clause. Seat of arbitration shall be Milan (Italy). Language of arbitration shall be the English.

**9. Waiver**

Failure by SFRG to enforce at any time the provisions of these GTC shall not be construed as a waiver of such provision or of the right to thereafter enforce each and every provision herein.

**10. Assignment**

The Client shall not assign to a third party any right and/or credit deriving from or connected to the Agreement, without SFRG's prior written authorization.

	<b>GENERAL TERMS AND CONDITIONS OF SUPPLY</b>	<b>SFRG-GTCS</b>
		<i>Rev. 1 dated 08/02/2024</i>

The Supplier

\_\_\_\_\_

\*\*\*

As per article 1341 of the Italian Civil Code, the client declares in particular to have expressly understood and accepted the following clauses:

2.3 (automatic acceptance of the Order Confirmation), 3.5 (waiver of the right to terminate the Contract for late deliveries), 4.6 (SFRG's right to suspend the delivery of the Products); 5.6 (limitation of the applicable remedies), 5.7 (exclusion of warranty), 5.9 and 5.10 (limitation of liability) 6.1 (Force Majeure), 9.1 (Applicable Law), 9.2 (Sole Venue), 9.3 (Arbitration)

The Supplier

\_\_\_\_\_