



## **GENERAL TERMS AND CONDITIONS OF SALE**

### **1. GENERAL TERMS AND ACCEPTANCE OF THE OFFER**

- 1.1 These General Conditions of Sale apply to any contract by ODL Srl (hereinafter "Seller") for the supply of its products (hereinafter "Products") to a customer (hereinafter "Buyer").
- 1.2 In addition to these General Conditions of Sale, each contract between the Seller and the Buyer is governed by the special conditions set out in the Sales Order Confirmation issued by the Seller and signed by the Buyer for acceptance (hereinafter the "Sales Order").
- 1.3 In the event of any conflict between these General Conditions of Sale and the special conditions set out in the Sales Order, the special conditions in the Sales Order shall prevail.
- 1.4 These General Conditions of Sale and the special conditions set out in the Sales Order supersede any written or oral agreement between the Seller and the Buyer.
- 1.5 No Offer sent by the Seller or Purchase Order by the Buyer shall be binding on the Seller until the Seller has received and confirmed the Sales Order duly signed by the Buyer. If not confirmed by the Buyer for acceptance in writing, as required, within 1 week (5 working days) the Sales Order will be deemed tacitly accepted in all its content. In all cases where advanced deposit payment is required as Term of Payment, no obligation arises on the Seller's side before the Seller has received such deposit.
- 1.6 The Offers are valid until 31 December of the year in which the Offer is issued, unless otherwise stated. After the Offer has expired, prices are subject to changes.
- 1.7 No amendment to these General Conditions of Sale and to the special conditions set out in the Sales Order, including any verbal or telephonic instructions or communications, shall be valid unless agreed in writing between the Seller and the Buyer. Similarly, no additional obligations agreed between the parties at a later stage shall be binding unless confirmed in writing.
- 1.8 The only binding contractual conditions are those contained in the Sales Order and in these General Conditions of Sale.

### **2. PRICES AND PAYMENT TERMS**

- 2.1 Unless otherwise specified, prices are NET, in EUR, Ex-Works 24030 Brembate di Sopra (BG), Italy. They do not include transport costs, duty, customs, unpackaging, storage costs, installation, and other costs, where/if applicable. The costs of such additional services, when required, will be quoted separately.
- 2.2 Unless otherwise agreed upon between the Seller and the Buyer and included in the Sales Order, upon issuance of the Sales Order the Seller requires the payment of a deposit equal to 30% of the quoted price for the order to be put into production. Once the goods are ready, they shall only be dispatched to the Buyer once the outstanding 70% balance has been paid in full. Such outstanding balance is understood to include shipping, packaging, taxes and/or other charges, where/if applicable.
- 2.3 Stock Items sale: 100% advanced payment is required after the Sales Order has been issued and before the items can be collected or dispatched to the Buyer.
- 2.4 Design Services: a design fee will be charged in case of requests for made-to-order Products that require a preliminary design process with subsequent production of technical drawings,

specifications and/or prototypes or material samples, by the Seller for Buyer's approval and before Buyer has confirmed and sent Purchase Order.

Design and prototyping services, where required, will be quoted on a case basis, depending on the complexity of the project.

- 2.5 All present and/or future taxes, duties, transportation costs, and in general all present and/or future costs and risks related to the contract, including the risks of monetary fluctuations related to the price of delivery and assembly shall be borne by the Buyer.
- 2.6 Payment methods: the Seller accepts payment via bank transfer to the bank account indicated in the Sales Order. Sales Order number (in the case of advance payments), or the Invoice number must be indicated in the payment description field.
- 2.7 Unless otherwise agreed in writing between the parties, payment shall be duly made by the due date(s) indicated in the Sales Order, and the Buyer shall not be entitled to any additional discount, deduction or set-off unless previously agreed in writing.
- 2.8 Should any payment not be made by the Purchaser by the relevant due date, the Seller shall be entitled to charge the Purchaser, from the day after the expired due date and without the need for a formal notice, with default interests at the rate of the legal interest on arrears determined in accordance with Legislative Decree no. 231/2002, in addition to the charges for credit recovery and without prejudice to the right to compensation for any greater damages and termination of the contract.
- 2.9 Without prejudice to any other provision contained in these General Conditions of Sale, should the Purchaser fail to fulfill its payment obligations or should doubts on the Buyer's solvency arise, the Seller shall have the right to immediately suspend further deliveries until the credit has been paid in full, including any default interest due, and until the Purchaser has provided guarantees deemed by the Seller to be suitable to ensure the correct fulfilment by the Purchaser of its obligations under existing contracts.

### **3. RETENTION OF TITLE**

- 3.1 It is agreed that the Products remain property of the Seller until the complete payment is received, including freight and/or other applicable charges.

### **4. CHANGES AND CANCELLATIONS OF ORDERS**

- 4.1 Any change request requires written approval by the Seller.
- 4.2 Any accepted changes may cause price increases due to material, administrative and labor costs.
- 4.3 Each Order is final and cannot be modified or cancelled once it is put into production.
- 4.4 If the Buyer cancels an Order after having accepted the related Sales Order, the deposit paid will not be refunded and, if no deposit has been paid by the Buyer, the Seller will be entitled to claim 20% of the total cancelled value as compensation.

### **5. SHIPMENT, DELIVERY AND STORAGE**

- 5.1 Unless otherwise stated in the Sales Order, Products delivery shall be Ex-Works 24030 Brembate di Sopra (BG), Italy. The Buyer is responsible for all customs, duties, and taxes, included in those cases where it is agreed between the parties that the Seller will manage, in full or in part, the transport process. All risks of loss and damage to which the Products are exposed from the moment of delivery of the goods to the freight carrier, including transport risks, are entirely born by the Buyer.
- 5.2 The Seller shall inspect Products and packaging before dispatch and shall issue, where determined, a declaration of conformity. Any additional inspections must be required and agreed upon.

5.3 Unless otherwise expressly noted in the Purchase Order and set out in the Sales Order, the terms for delivery of the Product shall not be binding for the Seller nor shall they be considered essential for the Purchaser. Consequently, possible delays by the Seller shall not entitle the Buyer to claim a price reduction or any compensation for direct or indirect damages. However, the Seller shall do its best to comply, within the limits of its organizational capacity, with the foreseen delivery term.

Without prejudice to the foregoing, once the delivery period has expired, the Buyer shall have the right, by written notice sent to the Seller, to ask the Seller to provide a new delivery term within a subsequent period of 4 to 8 weeks starting from the date of receipt of the delay notice by the Seller, expressly informing the Seller that if delivery is not made within the new period, the contract shall be deemed to be terminated. The Buyer shall not be entitled to terminate the contract under this clause if the failure to deliver the Product within the new provided period is due to delay or difficulty in procuring special materials required by the Buyer or in the event of delay in receiving components handled by the Buyer. In the event of termination of the contract under this clause, the Buyer shall only be entitled to a refund of any advance payment made, partial or in full.

5.4 Upon receipt of "goods ready" notice, the Buyer shall immediately pick up the Product from the warehouse located in 24030 Brembate di Sopra (BG), Italy, in accordance with all agreed conditions.

Delays in picking up the Products shall be regulated as follows:

- Up to 30 days from "goods ready" notice, the Product remain stored at the Seller's warehouse at no additional charge;
- Over 30 days and up to 60 days: the Products remain deposited at the Seller's place with charges for safe deposit of 0.2% of the value of the Products for each day of delay after the thirtieth, up to a maximum of 6% of their value;
- Over 60 days: Seller shall be entitled to place the Products at the Seller's discretion at a third party deposit, with the Buyer charged with all consequent expenses, including any costs for insurance of the Products against damage, fire or theft.

If the Buyer has not paid the entire amount of the price of supply, the Seller shall be entitled, at the Seller's discretion, to sell the Products to third parties, even in separate batches, after simple written notice to the Buyer, to be intended as a notice of termination of the contract, in whole or in part, pursuant to art. 1456 of the Italian Civil Code. In this case, the Seller shall definitively retain any already received advance payment as damages compensation, it being understood the right of the Seller to be reimbursed and compensated for the deposit costs and all other expenses and damages incurred, if any, for the Buyer's failure to collect the Products.

## 6. COMPLAINTS AND RETURNED PRODUCTS

6.1 The Buyer shall inform the Seller of any complaints related to packing, quantity, number or exterior features of the Products, by registered letter, within 10 working days from receipt of the Products, with adequate photographic documentation suitable to allow the Seller to verify the contents of the complaint attached. In case of failure, incomplete or late notification, the Buyer's right to complain about the above defects will be considered lapsed.

6.2 Complaints regarding hidden defects, which cannot be discovered based on a careful inspection upon receipt of the Products, shall be notified to the Seller, in writing, within 10 working days from discovery of the defects and, in any case, within the terms of the Warranty provided for in these General Conditions of Sale, with adequate photographic documentation suitable to allow the Seller to verify the contents of the complaint. In case of failure, incomplete or late notification, the Buyer's right to complain about the above defects will be considered lapsed.

- 6.3 In case the Buyer shall timely made its complaints, inclusive of the adequate photographic documentation, and the Seller has acknowledged its responsibility in relation to the complaint, the Seller can, in agreement with the Buyer, either substitute the defective Products or issue a credit note. The restitution of the Products for substitution to the Seller should always be previously authorized by the Seller. Should the Seller decide to send its personnel to verify the complaint, the Buyer undertakes to allow the Seller's personnel to carry out the verification in the indicated period. In the event the Products shall not be in the availability of the Buyer, the Buyer undertakes to obtain the same commitment from the third party at the place of which the Products are located, promising in any case the cooperation of the same third party.
- 6.4 Costs related to the replacement of defective parts, such as transport, packaging, insurance, customs, shall be borne by the Seller. No expense for the restitution of the defective Products, for their deposit or for their demolition may be borne by the Seller, except by a previous agreement in writing. Expenses for any verification of complaints shall be borne by the Seller.
- 6.5 Pending a complaint, the Buyer shall not have the right to terminate the contract nor to suspend or delay the payments of the defective Products, nor of different supplies.

## **7. SPECIAL TERMS FOR SUBSTRATES PROVIDED BY CLIENTS TO ODL TO BE COATED**

- 7.1 Special terms apply in the case of treatment on substrates directly provided by the Buyer.
- 7.2 Each component managed by the Buyer must reach the Seller DDP "Delivered Duty Paid", with an accompanying document indicating quantity, description, and the number of the Sales Order.
- 7.3 The substrates supplied by the Buyer are subject to an acceptance check by the Seller to verify that it can be treated. Any discrepancy between the quantity indicated on the documents and the quantity received will be notified.
- 7.4 Any specifications for the handling and care of substrates must be clearly stated and attached to the Order.
- 7.5 Since the treatment may reveal defects that are not detectable during the acceptance inspection, the Seller shall not be liable for claims due to such defects. However, the treatment conducted on such parts will be duly invoiced.
- 7.6 For all coated substrates the Seller reserves a quota of rejects up to a maximum of 10%, i.e. up to 10% of the quantity supplied to the Seller, or a minimum allowance of pieces equivalent to the capacity of a process batch, which may contain defects with regard to the coating or the substrate which have been caused by the Seller for which the Buyer may not claim compensation.
- 7.7 For substrates that are damaged for a percentage above the 10% rejects quota, refund will be granted only for damages that are due to wrongful intent or gross negligence by the Seller during the coating process. Such reimbursement shall only be equal to the value of the substrate declared by the Buyer at the time of the order. If the value of the material is not declared at the time of shipment to the Seller, no refund will be granted.
- 7.8 All complaints must be received by the Seller within 10 working days of receipt of the material and must explain the reason of the complaint. In this case, the Seller reserves the right to request the disputed material for verification.
- 7.9 Any delay in the dispatch of the substrates to be coated, compared with the agreed due date, may cause the rescheduling of the work and the consequent redefinition of delivery times.
- 7.10 All risks related to the transport of the material provided by the Buyer to be coated shall be borne by the Buyer.
- 7.11 Material sent by the Buyer for processing shall be received under conditional acceptance.
- 7.12 Upon receipt of "goods ready" notice, the Buyer shall immediately pick up the Product from the warehouse located in 24030 Brembate di Sopra (BG), Italy, in accordance with all agreed conditions.
- Delays in picking up the Products shall be regulated as follows:

- Up to 30 days from "goods ready" notice, the Product remain stored at the Seller's warehouse at no additional charge;
- Over 30 days and up to 60 days: Products remain deposited at the Seller's place with charges for safe deposit of 0.2% of the value of the Products for each day of delay after the thirtieth, up to a maximum of 6% of their value;
- Over 60 days: the Seller shall be entitled to ship out the Products or place the Products at the Seller's discretion at a third party deposit, with the Buyer charged with all consequent expenses.
- Over 90 days: the Seller shall be entitled to permanently retain the deposit payment or price already received as compensation for damages and to claim reimbursement of the costs incurred and compensation for any further damages.

## **8. WARRANTY**

- 8.1 The Seller warrants the Products for a period of 12 (twelve) months from delivery date.
- 8.2 The Buyer will lose its right to the warranty if he does not notify to the Seller the defects of the Products within the terms indicated in article 6 above (Complaints and Returned Products).
- 8.3 The warranty is excluded in case of use of the Products inconsistent with their technical specifications and does not cover any damage or defect other than defects of production attributable to the Seller's serious fault. No damage or defect originating from events subsequent to the delivery can be attributed to the Seller and, by way of example, no responsibility can be attributed to the Seller in the event that the transportation to the place of destination exposes the Products to conditions able to damage the Products, in whole or in part. In the event that the Buyer requires assembly or installation services for all or some Products, no responsibility shall be attributable to the Seller if the assembly or installation operations have been carried out in whole or in part by persons other than the personnel appointed by the Seller.
- 8.4 In case the Buyer incurs in a loss or damage due to defective Products, except in case of fraud or gross negligence of the Seller, the Seller's liability and, consequently, the compensation for damages due to the Buyer shall not exceed the price of the defective Products paid to the Seller.
- 8.5 The Seller shall not be held responsible of any loss or damage suffered by the Buyer for (by way of example, but not limited to) cancellations of orders from the Buyer's customers, penalties for delayed deliveries to the Buyer's customers, and for any other damage, penalty, or reimbursement due in connection with the commercial relationships between the Buyer, its customers or other third parties.
- 8.6 No responsibility can be charged to the Seller, in the event the Seller is unable, even temporarily, to the manufacture or delivery of the Products because of circumstances beyond its control, including the following, by way of example and without limitation: government measures, lockouts, strikes, occupation of premises, fire, explosions, natural disasters and unavailability or delay in the supply of raw materials or special materials required by the Buyer.

## **9. TERMINATION AND SELLER'S RIGHT OF WITHDRAWAL**

- 9.1 Pursuant to art. 1456 of the Italian Civil Code, the Seller shall be entitled to terminate, by means of simple written notice, with immediate effect, the contract with the Buyer if:
  - a) the Buyer fails to perform any of its payment obligations within the due dates;
  - b) the Buyer does not fulfill its obligation to withdraw the Products within 60 days from when the Buyer has received the "goods ready" notice;
 In both cases a) and b) above the Seller shall be entitled to definitively retain the advance payment or the already received price as damages compensation and to request the reimbursement of the incurred costs and the compensation for further damages if any. Any

solicitations by the Seller to the Buyer cannot in any case be interpreted as a waiver by the Seller to the Seller's right to terminate the contract.

## **10. COPYRIGHT AND INTELLECTUAL PROPERTY**

- 10.1 Drawings, specifications and other written materials or images and any materials or samples of materials submitted to the Seller during the consultation process for final designs and order specifications, and all prototypes made to Buyer's designs and specifications ("Buyer Materials") shall remain the property of Buyer, and the Seller shall not disclose them to any third party, use, copy or otherwise violate or misappropriate Buyer's Materials, except to the extent Seller is required to disclose the Consultation Materials on a strictly need-to-know basis to a third party or supplier for the purpose of fulfilling the Order.
- 10.2 Drawings, designs, specifications, images and any samples of materials or products that Seller provides for the purpose of defining the designs and specifications of the order, and any samples made to Seller's specifications ("Seller's Materials") remain the property of Seller, and the Buyer agrees not to disclose them to any third party or use, copy, violate or misappropriate Seller's Materials.
- 10.3 Images, designs, brand names, marketing materials, brochures, product information, catalogues, tear sheets, website content etc. ("Information") are protected under various Italian and International patent, trademark and copyright laws and are owned and controlled by Seller or by the original creators.
- 10.4 It is prohibited any use of materials such as, but not limited to: copying, reproduction, modification, duplication, distribution, sales, republication, display, posting, downloading, public advertising, manufacturing of product incorporating of images or design is prohibited. No trademarks may be used in connection with any product or service that is not the product or service of Seller.

## **11. GOVERNING LAW AND JURISDICTION**

- 11.1 These General Conditions of Sale shall be governed by Italian law.
- 11.2 The courts of Bergamo (Italy) shall have exclusive jurisdiction over any dispute which should arise between the parties in connection with this contract and/or these General Conditions of Sale.
- 11.3 In the event of discrepancies between versions in different languages of these General Terms and Conditions of Sale, the Italian version shall prevail.