

## GENERAL CONDITIONS OF SALE

### 1. DEFINITIONS

For the purpose of these General Conditions of Sale (hereafter referred as "GCoS"), the term "KCI" shall refer to Kito Chain Italia S.r.l. and the term "Customer" shall refer to all entities with which KCI shall enter in business relations.

### 2. SCOPE OF APPLICATION AND CONTRACT CLOSURE

2.1 These GCoS shall apply to all the contracts and agreements (in any form and entered into force at any time) for products, accessory and/or complementary elements ("Products") sold and/or supplied as well as services ("Services") rendered by KCI to the Customer. For this purpose, the GCoS are considered an integral part of each contract or agreement between KCI and the Customer.

2.2 These GCoS constitute the main document regulating the relationship between KCI and the Customer ("Parties"), and are deemed as accepted, even if not expressly, at the time of acceptance of the offer by the Customer, and cancel, prevail and replace integrally any other contract or agreement (in any form and stipulated at any time) between the Parties, having contrary terms and conditions (including those possibly proposed by the Customer or any other contract or agreement that were to regulate differently or in other forms the relationship between the Parties) and/or which have a different content than what is indicated here.

2.3 KCI may undertake different and/or additional conditions with respect to what is indicated in these GCoS only and exclusively in writing and following an express negotiation between the Parties.

2.4 The failure by KCI to exercise a right deriving from these GCoS does not constitute a waiver of the same, nor of any other right for any title and/or reason, but exclusively tolerance by KCI without that this entails any acceptance of anything or that could cause any prejudice to KCI. In any case, the Customer renounces to exercise of any right and to the right itself, which may be based, even partially, on the aforementioned tolerance.

2.5 In the event of nullity and/or invalidity and/or ineffectiveness and/or annulment of a clause of these GCoS, in whole or in part, the other clauses of these GCoS remain fully valid and effective and the Parties may renegotiate the aforementioned clause according to criteria of strict good faith; in the event that such renegotiation is not possible, the provisions of the applicable law indicated in art. 9 of these GCoS shall apply.

### 3. PRICES

3.1 The offers issued by KCI shall be non-binding and subject to confirmation. The price lists issued by KCI shall be intended merely for informational purpose and shall not be considered as an offer.

3.2 The prices are to be intended as net prices, including packaging cost and with EXW (Ex Works) delivery. The prices do not include shipment, insurance, taxes and any additional charges in any way connected with the sale. The Customer shall bear the costs of transport, the costs of insurance of the goods and any customs duty.

3.3 Prices shall be defined based on the current cost of raw materials and production factors. In the event that the cost of raw materials and input factors significantly increases, that is to say equal to or greater than 5%, KCI reserves the right to apply a corresponding adjustment or to withdraw from the contract. KCI will inform the customer in writing about the extent of the adjustment, demonstrating the method of calculating any price variation and highlighting the higher costs incurred.



3.4 Any discount shall be granted only on the basis of specific and individual agreements, in a completely exceptional way. These discounts are to be considered valid on the express condition that all previously issued invoices have been regularly and timely paid by the Customer.

3.5 The Offer and the Order Confirmation shall contain the express definition of the scope and content of the contract. Any modification or additional agreement will only be considered valid upon specific written confirmation from KCI.

3.6 A Purchase Order shall not be considered as accepted until KCI has issued the Order Confirmation.

3.7 The lead times stated by KCI shall be merely intended for informational purpose and shall not be considered binding.

3.8 Unless otherwise expressly agreed in writing, KCI shall be entitled to deliver the goods in one or more consignments as well as in advance to any agreed delivery date. Notwithstanding the other terms of these GCoS, each consignment shall be deemed as a separate contract.

#### **4. TERMS OF PAYMENT**

4.1 The fees ("Prices") are calculated on the basis of the quantities indicated at the time of shipment. Prices are net, unless otherwise agreed in writing by the Parties and following an express negotiation between them. Prices are expressed in Euros (or other indicated currency).

4.2 The prices must be paid net of all expenses and/or taxes, according to the time and mode defined by the invoice.

4.3 In case of delayed payment with respect to what is indicated from time to time in the particular conditions and/or in the offer and/or in the order confirmation or requested by KCI or agreed by the Parties in writing, the default interest referred to the Legislative Decree 231/2002 ("Late payment in commercial transactions"), and KCI has the right to terminate the sales contract (or as otherwise qualified and/or qualifiable) as well as any other existing contracts with the Customer in reason for the loss of trust in the Customer himself, thereby interrupting the supplies in the event of a contract with continued and/or periodic execution or not providing the supplies yet to be performed, without the Customer being able to claim anything from any title and/or reason, not even as compensation for damages.

4.4 In this case, the Customer will otherwise remain liable for any and all title and/or reasons for any damage that may arise to KCI from the non-fulfillment or the incorrect and/or delayed fulfillment of the Customer's payment obligation under the applicable terms.

4.5 KCI has the right to withhold any sums paid by the Customer. In addition, KCI has the right to set off the receivables from the Customer against the latter's receivables from KCI, including those in connection with other contracts or agreements in place with the Customer. For this purpose, the Parties express their consent pursuant to Art. 1252 ("Consensual set-off") of the Italian Civil Code.

4.6 The Customer and KCI expressly acknowledge that the termination made will be valid pursuant to Art. 1456 ("Express termination clause") of the Italian Civil Code.

4.7 If KCI becomes aware of a significant worsening of the Customer's financial conditions, it will be entitled to declare it lapsed from the benefit of the term granted to him pursuant to and for the purposes of Art. 1186 of the Italian Civil Code and to demand the immediate balance of the price.

4.8 In any case, KCI reserves the right to request advance payment of the goods or the issue of a suitable guarantee of payment of the price. In the event that the Customer fails to comply with this request, KCI has the right to withdraw from the contract.



## 5. TRANSFER OF OWNERSHIP AND TRANSFER OF RISK

5.1 Unless otherwise agreed in writing, the Customer acquires ownership of the Products with full payment of the invoice and/or invoices issued by KCI, but it acquires any risk related to the Products as specified in the delivery terms defined by the INCOTERMS® 2020 or, in case of non-application of any incoterm, from the moment of delivery by KCI to the first carrier and/or to the forwarder and/or to the Customer, in case of direct delivery.

5.2 In the event that the transport or delivery of the goods is delayed for reasons attributable to the Customer, the risk is transferred upon notification of readiness of the goods for delivery.

5.3 In the event that the Customer shall be in default in accepting the goods, KCI has the right to store the goods in at its premises, charging a storage fee of EUR 3,50 per square meter per calendar day and, after a reasonable period of time, to withdraw from the contract. In this case, a contractual penalty equal to 50% of the total amount of the Order will be considered agreed, whereby this shall apply notwithstanding the right to assert any further damage suffered.

5.4 In case the agreed delivery terms do not include the transport of the goods, KCI has no obligation to organize the transport of the goods and the Customer is obliged to collect or arrange the collection of the goods within 5 working days from the notification readiness of the goods.

5.5 In the event that the goods are supplied to a Customer that is registered for VAT purposes in another EU Member State, the sale of the goods is subject to the reverse charge regime upon fulfillment of the statutory requirements. If, according to the specifically agreed contractual conditions, KCI is not responsible for the shipment of the goods, the Customer undertakes to provide KCI with the appropriate documentation proving the delivery of the goods at the Customer's premises, within a maximum of 5 working days from arrival of the goods at their destination. The document of delivery that must be provided by the Customer is the CMR ("Convention des Marchandises par Route" or international waybill), signed by the sender, by the carrier for taking charge and by the recipient or by the third party in charge to certify the receipt of the goods. In any case, a written communication of the delivery of the goods is required as soon as they arrive at their destination. In the event of a breach by the Customer of the obligation to provide such documentation, KCI has the right to obtain compensation for any damage resulting from such failure, even with reference to the application of value added taxes, interest, sanctions or any other amount requested by the Italian financial administration.

5.6 In the event that the Italian financial administration should request further documentation from KCI in order to prove the delivery of the goods at the Customer's premises related to an intra-Community sale, KCI reserves the right to request to the Customer to provide, in addition to what is established in the Article 5.5, also the Intrastat summary lists relating to intra-community purchases of community goods in the periods subject to assessment. The Customer undertakes to provide KCI with such documentation within a maximum of 10 working days from the request. In the event of a breach by the Customer of this obligation, KCI has the right to obtain compensation for any damage resulting from such failure, even with reference to the application of value added taxes, interest, penalties or any other amount requested by of the Italian financial administration.

5.7 The Customer undertakes to immediately inform KCI in writing of any changes to his tax identification (VAT number) or to the VAT registration regime. In the event of a breach by the Customer of this obligation, KCI has the right to obtain compensation for any damage resulting from such failure, even with reference to the application of value added taxes, interest, penalties or any other amount requested by of the Italian financial administration.



## 6. WARRANTY AND LIABILITY

6.1 KCI undertakes to deliver the Products as agreed and with reference to the standards applied in the sector. Any defects in the Products must be reported within eight (8) days from delivery of the Products to the Customer in the event of an obvious defect and/or a defect detectable at first sight or within eight (8) days from the day of discovery of the defect, if hidden, under penalty of forfeiture. Furthermore, hidden defects must be reported, unless otherwise established by law, within one (1) year of delivery under penalty of the prescription of the right to assert the defect by the Customer.

6.2 In the case of insurance on the Products that provides to carry out checks on the Products upon their receipt by the Customer, the Customer undertakes to carry out the aforementioned checks for the purpose of activating the insurance coverage, if any, under penalty of forfeiture of any right of action against KCI.

6.3 In the case of timely defects notification, KCI will replace the Products, if the traceability of the defect to KCI is ascertained, delivering the Products in the same manner as set out in these GCoS, without the Customer having anything to further even claim, by way of example and not exhaustively, as compensation for direct and/or indirect damages and/or reimbursement of expenses. Unless otherwise agreed in writing between the Parties, in the event that the Customer shall perform any processing/use on the Products found to be defective, the Customer loses any right to claim the defects and to the replacement the Products and to return, even partially, of the price paid for the Products.

6.4 Any complaints for defects do not entitle the Customer to suspend the payment, even partial, of the Products' price, nor to suspend any service and/or not fulfill any obligation, also with reference to other existing relationships between the Parties.

## 7. FORCE MAJEURE

7.1 Neither Party shall be held liable or responsible to the other Party or be deemed to have defaulted under or breached this GCoS for failure or delay in fulfilling or performing any term of this GCoS when such failure or delay is caused by or results from causes beyond the reasonable control of the non-performing Party (i.e. fires, floods, earthquakes, embargoes, shortages, epidemics, quarantines, war, acts of war, acts of terrorism, insurrections, riots, civil commotion, strikes, lockouts or other labor disturbances). The non-performing Party shall notify the other Party of such force majeure within ten (10) days after such occurrence by giving written notice to the other Party stating the nature of the event, its anticipated duration, and any action being taken to avoid or minimize its effect.

7.2 The suspension of performance shall be of no greater scope and no longer duration than is necessary and the non-performing Party shall use commercially reasonable efforts to remedy its inability to perform; provided, however, that in the event the suspension of performance continues for ninety (90) days after the date of the occurrence, and such failure to perform would constitute a material breach of these GCoS in the absence of such force majeure, the non-performing Party may terminate the Contract pursuant by written notice to the other Party.

## 8. EXPRESS TERMINATION CLAUSE AND LIABILITY

8.1 The breach by the Customer of any of the obligations contained in these GCoS and, in particular, to Articles 1, 2, 3, 4, 5, 6, 7 will constitute grounds for the termination of the contract or agreement between the Parties pursuant to Art. 1456 ("Express termination clause") of the Italian Civil Code, without any obligation from KCI.



**9. JURISDICTION AND APPLICABLE LAW**

9.1 For any dispute arising regarding the validity, interpretation, execution or termination of this contract, it is agreed that the competent court shall be exclusively that of Udine (Italy).

9.2 The contract shall be governed by Italian law.

9.3 These General Conditions of Sale are drawn up in Italian and English. In case of discrepancy, the Italian version shall prevail.

Pursuant to and for the purposes of Articles 1341 and 1342 of the Italian Civil Code, the Customer specifically approves the clauses referred to in Articles 2 ("Scope of application and contract closure"); 3 ("Prices"), 4 ("Terms of payment"), 5 ("Transfer of ownership and transfer of risk"), 6 ("Warranty and liability"), 7 ("Force majeure"), 8 ("Express termination clause and liability"), 9 ("Jurisdiction and applicable law") of these GCoS.

