

	GENERAL TERMS OF SALE LA LEONESSA S.P.A.	S/05/2
		Rev.2
		Dated 07/2020
		Page 1 of 6

1. General provisions

These general terms of sale regulate the contractual relationship following the Buyer's acceptance of the purchase proposal made by the Seller. The supply is subordinate to Buyer acceptance of these General Terms of Sale. The latter must read them on the website www.laleonessa.it and/or request a copy. Execution of the contract will be considered tacit acceptance of these General Terms of Sale, as long as the Buyer has not specifically contested the contents in writing prior to the execution itself.

2. Definitions

When interpreting these General Terms of Sale, the following terms must be understood as having the following meaning:

- for Seller: La Leonessa S.p.A.;
- for Buyer: the purchaser of the Product;
- for Parties: the Seller and Buyer considered jointly;
- for Product/s: the purpose of the sale between the Buyer and the Seller as described in the sales Contract or in the Offer;
- for Order/s: the form by which the Buyer declares to the Seller that it wants to purchase the Products;
- for Offer/s: the form by which the Seller declares to the Buyer that it wants to sell one or more Products;
- for sales Contract: each contract or deed, even if subsequent, or amendment and/or addition to it by the Parties;
- for Operating Instructions: the assembly, use and maintenance instructions that the Seller can attach to the Product.

3. Field of application

- These General Terms of Sale are applied to all Contracts or Orders in which the Seller is the supplier. They prevail over any Buyer general purchase or contractual terms, considered singly or as a whole.
- Where there is already a commercial agreement and/or single contracts of sale for the Product in force between the parties, these General Terms shall constitute an addition to all previous agreements and/or single contracts of sale for the Product between Seller and Buyer.
- All information and data contained in brochures, price lists or the website of the Seller will only be binding if referred to the Contract and/or the Offer.

4. Offers, Orders and Contracts

- The Offer constitutes a revocable proposal – valid for the days indicated in the Offer – by the Seller and formalises the agreements contained in previous negotiations between the Parties.
- The Order constitutes Buyer acceptance of the terms contained in the Offer and is deemed as rejected, unless agreed otherwise by the parties, if in contrast with some of the terms contained in the Offer, constituting, pursuant to art. 1326 of the Italian Civil Code, a new proposal subject to a new offer being issued by the Seller.
- Requirements qualifying the Offer are: price; offer validity term; product characteristics; quantity; type of packaging; transport means and terms; destination; accompanying documents.
- Contracts and/or Orders and any addition or amendment related to them must be in writing and be sent digitally or by any other means usually used by the Parties (e.g. courier, post, telex, telefax, etc.).
- Any additions or amendments to the Contracts and/or Orders made by the Buyer will only be effective if accepted by the Seller in writing.
- The Seller is only obliged to supply the Product in compliance with a standard and/or regulation differing to those of the place of production if it was fully notified of that standard and/or regulation by the Buyer before the Offer was made.

	GENERAL TERMS OF SALE LA LEONESSA S.P.A.	S/05/2
		Rev.2
		Dated 07/2020
		Page 2 of 6

5. Delivery

- Unless specially established otherwise by the Parties, delivery will be ex-works (EXW, Incoterms 2020 ICC Paris), loaded at the Seller's factory at Viale S. Maria 90, Carpenedolo, Brescia, Italy; risks related to the Products will pass over to the Buyer when they are delivered at the Seller's factory.
- The Buyer undertakes to strictly comply with any indications provided by the Seller for transport of the Products purchased.
- Unless specifically agreed otherwise by the Parties, partial deliveries are permitted.
- Delivery terms are indicative and the Seller shall not be responsible for any late or non-deliveries due to *force majeure* circumstances and in any case independent of its wishes.
- Unless agreed otherwise, each shipment will be accompanied by the relative transport documents.
- If the Buyer should know in advance that it cannot respect the delivery terms established. It must notify that reason to the Seller in writing, together with a reasonable term by which it expects to be able to receive the goods.
- In any case, if the Buyer does not take delivery of the goods within 10 working days from the date originally scheduled, the Seller reserves the right to debit costs resulting from the delivery delay as a penalty, plus compensation for any further damages.

6. Packaging

- The Products must be packed by the Seller in accordance with standards established by the latter. Unless specifically foreseen otherwise by the Parties, packaging costs are normally excluded from the Product price.
- In any case, the costs for any special packaging requested by the Buyer, if feasible, will be charged to the latter.
- The Seller may not be called on to respond for any damage caused to the Product due to the special packaging created following specifications provided by the Buyer.

7. Price

- The Seller will apply the price agreed in writing and/or indicated in the Offer and/or the Contract; the price is net of VAT (22%) and does not include any transport costs, insurance, customs duties, etc.; or any other expenses specifically indicated in the Offer.
- If the price should not be indicated in the Offer, the price normally charged by the Seller for the Product will apply.
- Any complaints or disputes shall in no way give the Buyer the right to defer or omit the payment, or to reduce the price unilaterally.

8. Retention of title

- In accordance with provisions in art. 1523 of the Italian Civil Code, the Products purchased by the Buyer shall remain the property of the Seller until the price has been paid in full. However, from the time of delivery, all risks related to the loss of or damage to the Products shall be the Buyer's liability. The latter shall be obliged to store the Products with maximum diligence and to use them based on the use they are intended for and instructions received.
- Until the price has been settled in full, the Buyer will be considered as simply possessing the Products and, consequently, shall maintain them in a perfect state of repair, as established in article 1768 of the Italian Civil Code. Until ownership has been transferred to the Buyer, the Products may not be disposed of, sold or transferred in any way, nor may they be pledged or granted as collateral in general, nor form part of the property or possessions of third parties for any value or reason. On the contrary, the Seller reserves the right to withdraw from the contract immediately, without prejudice to its right to take civil or penal legal action, to: demand compensation for damages, exercise any penal action under Italian law in force, as, for example, currently established by the penal code in force under article 646 and, in any case, any action to return in possession of the mobile asset including from third-party non-domino purchasers.

	GENERAL TERMS OF SALE LA LEONESSA S.P.A.	S/05/2
		Rev.2
		Dated 07/2020
		Page 3 of 6

9. Invoices and Payments

- The Seller will issue an invoice for the price agreed in writing and/or indicated in the Offer. Payment shall be made on delivery or as agreed.
- Without prejudice to any written agreement between the Parties, payments must be made at the due date agreed.
- If payments should be made after the terms established, the Buyer shall be obliged to pay late-payment interest based on Legislative Decree 192 of 9 November 2012, Decree Law 1 of 24 January 2012, converted with amendments by Law 27 of 24 March 2012, and Decree Law 51 of 5 May 2015, converted with amendments by Law 91 of 2 July 2015.

10. Buyer Obligations

- The Buyer must have the structures and means necessary to use the Products correctly, know the latter's features and have the full technological expertise and capacity to use them correctly.
- The Buyer guarantees compliance with provisions contained in the Operating Instructions and the instructions on use of the Products supplied by the Seller.
- Furthermore, on executing this Contract the Buyer must comply with and respect all local laws and regulations including the good commercial practices, and must relieve and hold the Seller harmless of any direct or indirect damage suffered by the Seller as a result of the Buyer breaching the aforementioned regulations.
- If the Buyer should not comply with the obligations in the previous point, it will, in any case, be obliged to collect the Products ordered and those being delivered and sustain the relative delivery charges.

11. Operating Instructions

- The use and maintenance instructions can be downloaded from the website www.laleonessa.it.
- Without those instructions the Buyer will still be obliged to use the Product solely for its intended use based on indications provided by the Seller and on common sense, under penalty of forfeiture.

12. Seller Guarantee

- The Seller guarantees that its Products will function correctly for a period of 12 months from the delivery date. Any defects must be reported immediately to the Seller in writing; that report must contain a description or the defect allegedly found and be received by the Seller within eight days of the Product being delivered, or from when the defect is discovered, if hidden. Any late reports will have no effect on the Seller.
- The Seller only responds to Product flaws that can be attributed to possible production defects or, in any case, resulting from its direct responsibility; however, the Seller may not be held responsible for materials and/or parts of Products that it has not made, nor for damage caused by unknown uses when the Order is accepted.
- The Seller may not be held responsible for damage from using the Product and/or for events occurring, also depending on the Product supplied, in the exclusive sphere of the Buyer and/or on which the Seller may not exercise any control; or which, in any case, a direct, sole responsibility cannot be attributed to the Seller itself (as a mere example: machine shut-down, loss of production, loss of profit, etc.).
- The Buyer forfeits the guarantee provided by the Seller when:
 - it does not perform the operations and/or installations it is responsible for in a workmanlike manner; and/or
 - it carries out or has third parties carry out, without prior written authorisation from the Seller, repairs, replacement, changes or other actions of any kind on the Products; and/or if it does not comply with the provisions, Operating Instructions and Seller indications concerning the correct use and regular maintenance of the Products.
- The Buyer is obliged to store the Product considered defective in a suitable place and in a suitable way, making it available to the Seller for appropriate checks.

	GENERAL TERMS OF SALE LA LEONESSA S.P.A.	S/05/2
		Rev.2
		Dated 07/2020
		Page 4 of 6

- In any case, from when the defects are discovered, the Buyer is obliged to interrupt all use of the Product considered flawed or defective immediately, and do everything needed to reduce or not worsen the flaw/defect detected or the damage potentially suffered from it.
- Not sending written complaints or disputes within the aforementioned terms and/or use of the Product by the Buyer despite the flaws being discovered, implies unconditional acceptance of the Product itself and a waiver of any claim or dispute related to it.
- Unless otherwise agreed by the Parties, the Buyer is liable for all expenses, taxes and duties related to transport and import, to return defective products.
- This guarantee excludes any further right to claim damages and additional costs.

13. Force majeure

- Non-execution of obligations by a party hindered by the occurrence of objective circumstances beyond its control shall not constitute a non-compliance with these General Terms of Sale or the Contracts; as an example: wars, fires, floods, general strikes, lockdowns, embargoes, public authority orders, being unable to obtain raw materials or energy for manufacturing.
- The Seller is not considered responsible for late deliveries or for its own non-compliance if caused directly or indirectly by:
 - *force majeure* (for the effects of that clause and without the list being considered exhaustive, an event of *force majeure* includes legal prohibitions, wars, revolts, revolutions, strikes or other labour disputes, fires, floods, sabotage, nuclear incidents, earthquakes, storms, epidemics);
 - circumstances out of the Seller's control that prevent it finding labour, materials, raw materials, components, sites in general, energy, fuel, means of transport, authorisations or government provisions.
- The Seller will notify in writing, without delay, when the *force majeure* circumstances have ceased.
- If there should be any excusable delays or non-compliance based on the provisions in this article, the Seller shall notify the Buyer as soon as possible and specify the different delivery date. For delays caused by *force majeure* circumstances, the delivery terms will be established in agreement with the Buyer and will be extended for a period equal to the time lost by the Seller due to the delay, with prior agreement with the Buyer.

14. Responsibility

- In accordance with art. 12, the Seller will not be responsible for damages to third parties and/or the Products caused by the Buyer, nor for damage resulting from the Buyer's products created using those of the Seller.
- The Seller is not responsible for damages and/or anomalies connected to use of the Products if, when using them, the Buyer should not comply with the provisions contained in the Operating Instructions and indications provided by the Seller.
- If the Seller should incur responsibilities with third parties as described above, the Buyer must compensate and hold the Seller harmless of any demand for compensation.
- If a third party should claim damages from the Buyer, the latter shall notify the Seller in writing immediately.
- If there should be circumstances which, for any reason, give the Buyer the right to request compensation for damages from the Seller, the Buyer shall do everything possible to limit the damages and losses and, regardless of any other provision:
 - a) such requests will be limited to direct damage that could be reasonably foreseen as the natural consequence of the aforementioned circumstances, when the Contract was stipulated or the Order finalised;
 - b) the full liability of the Seller may not exceed the Product's selling price;
 - c) the Seller may in no case be liable with the Buyer for indirect, consequential and incidental damage including, as a non-exhaustive example, loss of profit and earnings, cost increases for the use or installation of the Products, decrease in efficiency or increase in expenses of any kind.

	GENERAL TERMS OF SALE LA LEONESSA S.P.A.	S/05/2
		Rev.2
		Dated 07/2020
		Page 5 of 6

15. Drawings and documents

- All drawings, technical documents, specifications, illustrations and other information related to the Product and its creation sent by the Seller may not be used, except with the latter's specific written permission, for purposes other than those for which they were sent, for example Product use and maintenance.

16. Intellectual property

- Sale of the Product to the Buyer does not imply, even if finalised for distribution or another form of Product commercialisation, the granting of licences or other rights to the trademarks, patents or other intellectual property rights.
- All the information, technical standards, specifications and procedures supplied by the Seller are the sole property of the latter. No trademark licence, licence to exploit the patent, or other industrial or intellectual property rights related to the technical specifications and expertise supplied, is granted to the Buyer through concluding this contract.
- The Buyer is obliged to return all information, documents and specifications owned by the Seller of a reserved and/or confidential nature promptly to the latter when the relationship is terminated or the service has been performed.

17. Express termination clause

- Pursuant to art. 1456 of the Italian Civil Code, the sales Contract will be terminated by right, with a prior written declaration from the Seller, with no prejudice to the right to compensation for the greater damage suffered, if the Buyer:
 - should default on a payment or delay payment for a period exceeding or equal to two months;
 - should not accept the Products once 30 days have passed since the notice of the goods being ready for shipment;
 - once a Product flaw/defect has been detected or suspected, the Buyer should not stop using or installing the Product itself immediately.

18. Safety regulations

- The Products are built with respect for the Italian safety laws in force.
- The Buyer is fully responsible if it should not notify the Seller of safety and public health regulations in force in the country in which the Product itself must be used and which the Product itself has to comply with.
- Any cost inherent to Product compliance with what is established in regulations of the country where it will be used will be the Buyer's sole liability.

19. Confidentiality and confidential information

- Each party undertakes to keep confidential the confidential information and documents received from the other party and related to the latter's company and/or activities that it has gained knowledge of within the ambit of and/or in executing the Contract and/or Orders.
- That obligation extends to representatives, consultants, assistants, appointees and third parties that the Parties avail themselves of in order to perform their activities.
- Information provided to the Buyer by the Seller and which is defined confidential or could reasonably be considered confidential, may only be revealed by the Buyer within the limits of what is strictly needed to execute the Contracts and/or Orders. The Buyer must ask its employees, agents or other intermediaries to which that confidential information must be communicated to commit themselves to not using the information for purposes other than those established above..
- The provisions in this article will remain in force during the contractual relationship and also for a period of two years after the Contract and/or Orders have ended, regardless of why the relationship ended.

	GENERAL TERMS OF SALE LA LEONESSA S.P.A.	S/05/2
		Rev.2
		Dated 07/2020
		Page 6 of 6

20. Privacy

- Data collected by the Seller will be processed pursuant to European Union Regulation 679/2016, in order to establish and execute the contract.

21. Protection Clause

- If one of the clauses in these General Terms of Sale should be null for any reason, that will in no way compromise the validity and compliance of the other provisions established in these General Terms of Sale.

22. Law applicable and language

- Italian law in force shall apply for anything not specifically regulated in these General Terms of Sale or in the single sales contracts.
- Any dispute arising through application of the General Terms of Sale or interpretation of the single contracts of sale is regulated by Italian law.
- The language regulating these General Terms is Italian, regardless of any translation in another language. If there should be an inconsistency between the Italian and the translated text, the Parties agree that the Italian text shall prevail and will be the official document used to interpret these General Terms.
- Application of the Convention of the United Nations on the International Sale of Goods (CISG, Vienna, 1980) is specifically excluded.

23. Jurisdiction

- The Court of Brescia shall have sole jurisdiction over any disputes that could arise related to the sales contract, including those concerning validity, interpretation, execution and termination.

Pursuant to and for the purposes of art. 1341 of the Italian Civil Code, the Buyer specifically declares that it knows and accepts the following clauses: 7.3 (Prohibition to omit payment), 10 (Buyer obligations), 12 (Seller Guarantee), 13 (Force Majeure), 14 (Responsibility), 18 (Safety Regulations), 19 (Confidentiality and Confidential Information), 22 (Law applicable and language), 23 (Jurisdiction).