

# GENERAL CONDITIONS OF SALE

## 1. PREAMBLE

1.1 These General Conditions of Sale (hereinafter: the "General Conditions") provide for the general conditions and terms governing any sale made or to be made by Cabagaglio Packaging S.r.l., with registered office in Via Dell'Industria, 17, 23844 Sirone, Italia, tax code and registration no. within the Register of Companies of LECCO 0081951057, VAT no. 02512580131, REA no. LC290522 (hereinafter: the "Seller") to a buying subject (hereinafter: the "Buyer"), under a supply contract with the Buyer (hereinafter: the "Supply contract"), or under a purchase order anyhow transmitted by the Buyer and accepted by order confirmation by the Seller (hereinafter: the "Accepted Purchase Order").

1.2 The Seller and the Buyer are hereinafter individually referred to as a "Party" and together as the "Parties".

## 2. SUBJECT

2.1 The Seller agrees to sell, and the Buyer agrees to purchase, the materials (hereinafter: the "Materials") indicated in the Supply Agreement or in the Accepted Purchase Order.

2.2 Any amendments to these General Conditions of Sale may only be provided for in writing in the Supply Agreement or in the Accepted Purchase Order.

## 3. PRICES

3.1 The sale prices (hereinafter: the "Prices") of the Materials shall be indicated in the Supply Agreement or in the Accepted Purchase Order.

3.2 The Prices may however increase in the event of any supervening circumstances that may significantly affect them, including but not limited to a relevant increase in the price of raw materials, in labour cost, in energy cost, in general costs or in case of relevant variations of exchange rates. In these cases the price change shall be proportionate to the cost increase.

3.3 Unless otherwise stated by the Seller, the Prices are based on the conditions of sale defined in the Supply Agreement or in the Accepted Purchase Order, which shall be deemed to refer to the most recent INCOTERMS indicated in these documents.

3.4 In case of any amendment to the subject of the sale, which is agreed between the Seller and the Buyer after completing the Supply Agreement or in the Accepted Purchase Order, the price shall be revised based on the amendment.

## 4. PAYMENTS

4.1 The Buyer shall pay within the provided terms, even in the case of any claim on the Materials.

4.2 Any delay in the payments, even in only one instalment, if applicable, entitles the Seller to interrupt the ongoing supplies. If the delay continues over the reasonable term assigned in writing to the Buyer, the Seller may terminate the Supply Agreement and/or the agreement following an Accepted Purchase Order, without prejudice to the right of the Seller to claim compensation for greater damages.

4.3 In any case, the Seller shall be entitled to late payment interests, as per Legislative Decree no. 231/2002.

4.4 In case of order cancellation and/or failed collection of the Materials within 20 days from the provided term, the Buyer shall pay the whole Price, without prejudice to the right of the Seller to claim compensation for greater damages.

4.5 In case of late collection of the Materials, the warranty shall anyway be effective as of the provided delivery date.

## 5. RETENTION OF TITLE AND RISK – TERMS OF DELIVERY

5.1 The Seller shall retain title to and ownership of the Materials until the amount indicated in the Supply Agreement or in the Accepted Purchase Order is fully paid.

5.2 Any risk to lose or damage the Materials is transferred to the Buyer upon delivery according to the Supply Agreement or the Accepted Purchase Order, in compliance with the most recent INCOTERMS indicated therein.

5.3 In any case, independent of the terms of return and delivery, the Buyer undertakes to provide for all the permissions and authorizations, however denominated, which are required for the transport and allocation of the goods supplied to the place agreed.

The Seller shall make any reasonable effort to process the order within the expected term. In any case the terms of delivery are approximate.

## 6. CLAIMS

6.1 Upon receipt of the Materials, the Buyer shall immediately control that the packaging of the Materials is not damaged and that the quantities of the packages are correct, and record - under penalty of forfeiture - any claim in the delivery document.

In default, any warranty of the Buyer shall cease and the Seller shall be exempted from any liability, within the limits allowed by law, with reference to any subsequent claim on the Materials that is related to any fault, defect or damage of the packaging.

6.2 In case of claim on the Materials for any stated fault, defect or non-compliance, the Buyer shall observe the following procedures and terms:

- Apparent faults, defects or non-compliances: the complaint shall be made in writing within 10 (ten) days from the date of receipt of the Materials by the Buyer;

- Hidden faults, defects or non-compliances: if the claim concerns a hidden fault, the complaint shall be made in writing within 8 days from its identification, and in any case not later than 12 months from the delivery of the Materials.

6.3 The Buyer shall make the claimed Materials available to the Seller for inspection purposes.

6.4 The Buyer, in the absence of the written authorization of the Seller, may not return the Materials subject to the fault and/or defect.

6.5 In no case, the Seller's agents or intermediaries are authorized and entitled to represent and commit it with the Buyer. To this end, any communication regarding any faults and defects of the Materials will be invalid and ineffective if sent by the Seller's agents, clients or intermediaries.

6.6 Any Material, which is subject to no claim in compliance with the above-mentioned procedures and terms, shall be considered approved and accepted by the Buyer.

## 7. STORAGE OF THE MATERIALS

The Seller shall not be held responsible in case of wrong storage of the Materials by the Buyer, as the latter is aware that:

- The pallets containing the Materials shall not be put on top of each other;
- The Materials shall be stored in a closed environment, protected from moisture, and shall not suffer from temperature swings.

## 8. WARRANTY

8.1 The Seller guarantees that the Materials will comply with the provisions given and will be free from faults and defects for a period of 12 (twelve) months from the date of delivery of the Materials. The Seller therefore undertakes to provide remedy to any non-compliance, fault or defect of the Materials, which it is deemed responsible for and which occurred within twelve months from the date of delivery of the Materials, as long as the non-compliance, fault or defect is timely notified according to the provisions of these General Conditions.

8.2 If the Materials are ascertained to be actually subject to a non-compliance, fault or defect, the Seller may, at its discretion, replace the Materials (or their components) that are subject to a non-compliance, fault or defect or, alternatively, refund the price of the Materials, thus replacing and excluding any other legal and conventional remedy, within the limits allowed by law (and therefore except in the case of wilful misconduct or gross negligence of the Seller). The compensation for direct, indirect and consequential damages is also excluded, by way of example for profit losses, chance missed, safety recalls, production losses, etc.

8.3 In any case, the Buyer is responsible for controlling the compliance of the Materials before using them.

8.4 Any defect or malfunctioning are expressly excluded from the warranty if resulting from accidental damages, from a use of the Materials that is different from the use intended by the Seller (as the Seller is not to know the method of application and purpose of use of the Materials), from a non-

correct assembly, installation of the Materials, from repairs made by personnel that is not authorized by the Seller, or from a missing, insufficient or wrong maintenance.

**8.5** The Seller shall not be deemed responsible for the Materials obtained by using the materials supplied by the Buyer. In these cases, the responsibility of the Seller is limited to the observance of the drawings and specifications defined between the Parties. The Seller shall also not be deemed responsible for the defects of the Materials built by the Seller based on the technical information, on the technical characteristics or on the drawings provided for by the Buyer.

**8.6** The Seller shall not be deemed responsible for the application on the Materials of lithographies, prints, marks, names, texts, logos, drawings and so on, upon request of the Buyer, as well as for any infringement of patents, registered drawings, not registered drawings, design rights, copyrights, marks or other industrial property rights or intellectual property rights resulting from the observance of the instructions, either expressly or implicitly given to the Seller by the Buyer to produce the Materials; any claim on this regard shall be resolved and defined by the Buyer, who will not claim compensation against the Seller and will hold it harmless from any action, expense (including any expense for the defence in legal actions), or damage resulting from any claim by a third party.

The Seller may refuse, suspend or interrupt a supply if it deems that any lithographies, prints, marks, names, texts, logos, drawings and so on are counterfeit or based on and/or subject to unfair competition, with no liability attributable to the Seller.

**8.7** In any case, both with pending warranty and afterwards, and without prejudice to any mandatory legal provisions and so, in particular, to any provisions on the case of wilful misconduct or gross negligence, the Seller shall not be deemed responsible – and the Buyer shall not be entitled to any compensation or refunds whatsoever - for indirect and/or direct and/or consequential damages, including - but not limited to - any missed earning and any emerging damage resulting – by way of example – from any machine downtime, production loss and/or defect, loss of goodwill, chance missed, image damages etc.

**9. FORCE MAJEURE**

The Seller shall not be held responsible against the Buyer for any non-fulfilment, including any late and/or failed delivery, which is caused by events that are beyond reasonable control of the Seller such as, including but not limited to, any late or failed delivery of the materials by the suppliers, any strikes and other trade union actions, any suspensions or difficulties in transport, any epidemics, pandemics, any suspensions or interruptions of the Seller's activity ordered by the Authorities for any cause for which the Seller may not be held responsible.

**10. COMMUNICATIONS**

Any communication by one of the Parties to the other Party according to the Contract shall be made in writing and sent by certified mail, registered mail, courier, fax or e-mail to the person/people and to the address specified in the Supply Agreement or in the Accepted Purchase Order.

**11. CONFIDENTIALITY**

The terms and conditions of the Supply Agreement or the Accepted Purchase Order are confidential. Each Party, which is also responsible for its employees, consultants, partners and contractors, shall not disclose to any third party such information except for the following cases: (i) if mutually agreed between the Parties; (ii) if such information is to be shared with lawyers, accountants, other professional consultants, potential backers, transferees, assignees or successors of the Party; (iii) whenever required by an order of any governmental or legal authority or necessary to either Party in order to legally enforce its rights before a Court or within any other judicial or administrative proceeding.

**12. APPLICABLE LAW AND EXCLUSIVE JURISDICTION**

These General Conditions, the Supply Agreement, the Purchase Order are governed by the Italian law, excluding the application of the Vienna Convention on the international sale of movables.

Any controversy concerning these General Conditions, the Supply Agreement, the Accepted Purchase Order shall be subject to the exclusive jurisdiction of the Court of Lecco, unless otherwise required by law. The Seller may however initiate the controversy before the court in whose district lie the Buyer's headquarters.

The Parties declare they have read and clearly understood the General Conditions of Sale and to accept their content

Date

Signature

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Pursuant to article 1341 and 1342 civil code, the Buyer declares that it has read and to specifically approve the General Contract Conditions and in particular articles: 3.2 (price changes); 4.1 (solve et repete clause); 4.2 (suspension of the supply– express termination clause), 5.1 (retention of title); 5.4 (terms of delivery); 6.1 (control of the Materials upon receipt – complaint under penalty of forfeiture); 6.2 (faults and defects – forfeiture); 6.6 (failed claim – forfeiture); 8.2 (sole remedies of the Buyer in case of non-compliance, faults and defects); 8.3 (control obligation of the Buyer); 8.5 (exclusion of responsibility of the Seller); 8.6 (indemnity); 8.7 (exclusion clause of the Seller); 12 (applicable law and exclusive jurisdiction)

(Signature of the Buyer) \_\_\_\_\_