

## General Terms and Conditions of Sale of Elcon Megarad S.p.A.

### § 1 Definitions

In these General Terms and Conditions the following terms shall have the following meanings:

- **“Agreement”**: The Confirmation Order and/or in the Quotation and/or the Revised Quotation and the present General Terms and Conditions as well as any annexes thereto.
- **“Confidential Information”**: Information that is proprietary or confidential and is either clearly labelled as such or otherwise identified as “confidential information” and which is disclosed by or on behalf of a Party (**“Disclosing Party”**) to the other Party (**“Receiving Party”**). Confidential Information includes, but is not limited to, any materials, drawings, designs, technical documents, specifications. Confidential Information shall not include information to the extent that it: (a) is or becomes publicly known through no act or omission of the Receiving Party; or (b) was in the Receiving Party's lawful possession prior to the disclosure; or (c) is lawfully disclosed to the Receiving Party by a third party without restriction on disclosure; or (d) is independently developed by the Receiving Party, which independent development can be shown by written evidence; or (e) is required to be disclosed by law, by any court of competent jurisdiction or by any regulatory or administrative body.
- **“Equipment”**: The equipment, products, goods, spare parts or services supplied by Seller, and which are the subject matter of the Quotation and/or of the Purchase Order Confirmation.
- **“Force Majeure Event”**: An event, circumstance or cause beyond the reasonable control of a Party including but not limited to act of God, act of the elements, strike, lock-out or other form of labor stoppage, slowdown (whether involving the workforce of a Party or any other party), insurrection, civil commotion, riot, embargo, war, fire, explosion, flood, accident, malicious damage, breakdown of plant or Equipment, governmental act, boycott, epidemic, failure of a utility service or transport or telecommunications network, issues in the procurement of raw materials, energy or components, transport delays, or default of suppliers or sub-contractors to the extent that it is caused by any such event.
- **“General Terms and Conditions”**: The general terms and conditions of supply provided for hereunder.
- **“Intellectual Property Rights”**: The economic intellectual and industrial property rights provided for under any applicable law (e.g. Italian Law No. 633/1941 and Italian Legislative Decree 30/2005, etc.) and/or regulation and/or convention and/or agreement or international treaty as may be applicable, including those relating to: (i) patents, inventions (including derived, dependent, improved, combined and translated patents), discoveries, improvements, additions, developments, processes, procedures, formulas, designs and models, plant varieties or similar exclusive rights; (ii) trade secrets or commercial secrets or other type of business and/or commercial information (know-how), or confidential information; (iii) corporate signs, domain names, titles, packaging, labelling, company names, trademarks (including non-registered trademarks) and other distinctive signs; (iv) adaptations, copyright works and derivative works, including figurative works, industrial designs and databases (including non-creative databases) protected by copyright or related/neighbouring rights; and (v) any item and/or other subject matter covered by industrial property and/or intellectual property rights or which may or may not be registered and/or filed.
- **“IP Claim”**: any claim that the Equipment or the use or other disposal of any Equipment infringes the rights (including Intellectual Property Rights) of any third party.
- **“Quotation”**: The document issued by the Seller to the Purchaser containing a sale proposal of its Equipment.
- **“Party/Parties”**: The Seller and/or the Purchaser, as appropriate.
- **“Purchaser”**: The Party who purchases the Equipment and which shall only include companies, entrepreneurs, legal persons, and public entities or other entities.
- **“Purchase Order”**: The document submitted from the Purchaser to the Seller containing the request of Equipment.
- **“Order Confirmation”**: The document issued by the Seller following the issuance of the Purchase Order by the Purchaser.
- **“Revised Quotation”**: The document which may be submitted to the Purchaser by the Seller containing additional and/or different terms and conditions in respect to those set forth in the Purchase Order.
- **“Seller”**: Elcon Megarad S.p.A.
- **“Seller know-how”**: information consisting of trade and commercial secrets relating to the Equipment such as chemical formulas of components and compounds, technical drawings, engineering data on shape and dimension, production processes, test results and information, processing techniques.
- **“Trademarks”**: The trademarks owned by Elcon Megarad S.p.A. and relating to the Equipment

### § 2 Scope and prevalence

The supply of the Equipment by the Seller is regulated by the present General Terms and Conditions provided hereunder which constitute the only legal provisions regulating the relationship between the Parties. It is hereby understood that these General Terms and Conditions, as well as any special terms and conditions established by Seller that may be contained in the Quotation, the Revised Quotation or in the Order Confirmation, their annexes and/or any other document referred to by in the Quotation, the Revised Quotation or in the Order Confirmation, shall prevail over any amendments, additions, as well as any general and/or special terms and conditions drafted by the Purchaser and/or included by the Purchaser in any document coming from the latter, including, by way of example, the Purchase Order (as defined below), which shall be ineffective and shall not regulate the agreement between the parties, unless expressly accepted in writing by Seller.

### § 3 Conclusion of contract and contractual contents

(1) The Quotation and the Revised Quotation are non-binding and subject to change, unless they are expressly labelled as binding or they are marked as “irrevocable offer” and provide a specific period of time for their acceptance. All the Purchase

Elcon Megarad s.p.a.

Azienda certificata ISO 9001/ISO 14001/ISO 45001/ISO 14067 Certified Company

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Capitale Sociale € 3.000.000 i.v. - Partita IVA 0177790641 - Codice REA 103558 - Codice Fiscale e Codice C.C.I.A.A. 08337550589

Orders are subject to written acceptance by the Seller by way of the issuance of its Order Confirmation. The Seller reserves the right to partially or fully accept or refuse any Purchase Order and to submit to the Purchaser a Revised Quotation which may include any additional or different terms and conditions. It is hereby agreed between the Parties that the silence of the Seller with respect to any term or condition proposed orally and/or in writing by the Purchaser shall not constitute an amendment or waiver to the present General Terms and Conditions (or in the provisions contained in the in the Quotation, the Revised Quotation or in the Order Confirmation).

(2) The Seller will normally inform the Purchaser of the acceptance of the Purchase Order within two (2) weeks from the date of receipt thereof. The Seller shall not be bound by any obligation until the Purchase Order is accepted in writing by the Seller. Acceptance may also take place by way of sending a written Order Confirmation or by initiating the supply or production of the Equipment within the above mentioned 2-week term, and in this event the Seller will promptly confirm it to Purchaser in pursuance of article 1327 of the Italian civil code. The Seller reserves the right to notify the Purchaser within the above mentioned 2-week term in the event that the Purchase Order is rejected.

(3) Quantities, quality and the description of the Equipment are based on the Quotation, the Revised Quotation or on the Order Confirmation. Seller reserves the right to modify the Equipment following and throughout the execution of the Agreement, insofar as such modifications are customary, reasonable and minor, or are necessary in order to comply with legal provisions or regulations and the Purchaser is informed accordingly.

(4) As a rule, the Equipment is made from first-class raw materials. Nevertheless, the Seller disclaims any warranty with respect to the chemical resistance and the physical properties of the Equipment. Customary deviations from the provided samples are unavoidable, particularly in relation to hardness, color and dimensions. Seller also disclaims any warranty regarding the above characteristics, provided that such deviations are not unreasonable and do not impair the contractually defined purpose.

(5) The content, dimensions and weight data set out in the Quotation, the Revised Quotation and the Order Confirmation concerns average values and may correspondingly differ from the specific nature of the material processed. Such quantity deviations are deemed to be mutually accepted by the Parties insofar as these are not unreasonable for the Purchaser. This assumption cannot usually be made in relation to deviations above 10%. Tolerances in relation to color, surface finish and thickness are accepted by Purchaser if they are within the ranges customary in the trade.

(6) The Purchaser shall indemnify and hold harmless the Seller in respect of third-party claims or actions or requests, including any claim for damages, which are made against the Seller for infringement of copyright or intellectual or industrial property rights or of any other rights in relation to Equipment produced in accordance with the instructions and/or specifications of the Purchaser.

(7) Drawings, samples or models of the Equipment provided by Seller shall bind the Seller only in respect of the external shape and technical design. These drawings, samples or models do not provide any implied statements regarding suitability for a particular purpose and Seller disclaims any other guarantee of conformity. Descriptions, samples, models, depictions, quality designations and advertising claims, etc. may be used by Seller as a marketing tool and shown to Purchaser for demonstrative purposes only and should not be construed by Purchaser as providing any guarantee, including but not limited regarding promised results or level of results, unless the Seller has expressly provided such guarantee in writing.

(8) The delivery to the Seller of raw materials and semi-finished goods for processing or finishing by the Seller shall be performed at the costs and risks of the Purchaser, and this shall include the return delivery of the finished goods to the Purchaser.

(9) Seller shall not be responsible for paying any compensation, damage or reimbursement or other sum for any reason, as a result of damages or loss of the raw materials and semi-finished goods stored by Seller, unless such damage or loss is caused by willful conduct or gross negligence of the Seller.

#### **§ 4 Delivery, purchase price and ancillary costs**

(1) Unless agreed otherwise by the Parties, Seller invoices are payable by Purchaser in full without any deduction within thirty (30) days from the invoice date. Seller reserves the right to request alternative payment conditions under specific circumstances (e.g. advance payments or cash before delivery).

(2) Unless the Quotation, the Revised Quotation or the Order Confirmation state otherwise, payment shall be made in Euro and delivery of the Equipment shall be made by Seller Ex Works (EXW) - within the definition of Incoterms®2020 - at Seller's factory. Ex Works Incoterms shall also apply as regards packaging and the applicable rate and payment of statutory value-added tax.

It is in any case understood that any taxes including, but not limited to, value added tax, federal, state and/or local taxes, other taxes and rights of any nature whatsoever shall be paid and borne by Purchaser, except that any taxes imposed on the Seller's income.

(3) Unless otherwise agreed by the Parties in writing, the Purchaser shall bear any additional costs incurred related to alternative delivery destinations and/or means of transportation.

(4) The minimum net Purchase Order value is € 2.000,00. For orders below this limit, Seller shall apply a handling charge of € 200,00 per Purchase Order.

#### **§ 5 Collection, testing and acceptance**

(1) The collection of the Equipment shall be made by Purchaser or its appointed freight carrier by taking possession thereof at the Seller's factory, once the Seller has informed the Purchaser that the Equipment is ready for collection. The collection of the Equipment shall be made by Purchaser within six (6) weeks from the above-mentioned notice. In the event that the Purchaser does not collect the Equipment within the aforementioned term the Seller shall store the Equipment at the costs and risk of the Purchaser. If, following the grant of a reasonable grace period to the Purchaser, the latter refuses to collect or expressly declares that it does not wish to collect the Equipment, Seller shall be entitled to terminate the Agreement and

demand damages.

(2) The Purchaser shall immediately check the Equipment at the time of delivery at the factory of the Seller. The test shall be considered to be positive and the Equipment accepted by Purchaser if: a) the Purchaser attends the test and does not raise any written objections concerning the Equipment once the test has been terminated, or b) the Purchaser collects the Equipment and does not perform the test. In the event that the test is negative and its results are accepted by the Seller, the latter shall take all the necessary measures to ensure that the Equipment is compliant with the Agreement. In the event that such procedure entails substantial changes to the Equipment, a new test shall be performed in accordance with the abovementioned procedures. In such a case, it is agreed that the delivery terms shall be automatically extended for the necessary period in order to allow the execution of further testing activities. Should the Equipment not be delivered Ex Works on the Sellers' factory, the test shall be carried out immediately upon the handing-over of the Equipment to the Purchaser or to the shipment company or to the person named by the customer Purchaser as responsible for the shipment.

(3) Seller will be entitled to make partial deliveries of the Equipment, as long as the Equipment which is delivered can be practically utilized by the Purchaser, the delivery of the remaining Equipment is assured by Seller and the Purchaser is not subjected to significant additional effort or any significant additional costs.

(4) The delivery dates and performance terms shall be expressly specified in the Agreement. Unless otherwise agreed, the stated delivery dates and performance terms are approximate and non-binding on Seller. The compliance by the Seller with delivery dates and terms is determined considering the date when the transfer of risk takes place according to section 6 below.

(5) The specified delivery dates and performance terms shall be valid for all purposes except for Force Majeure circumstances and provided that the Purchaser has complied with all the terms and conditions specified in the Agreement, including:

- the submission by Purchaser of specifications, designs, samples, layouts, approvals, and any other information necessary for the processing of the Purchase Order; and/or
- the submission by Purchaser of testing materials within the deadlines according to the agreed quantities and qualities; and/or
- the execution by Purchaser of the down-payments, advance payments, cash before delivery, and/or the compliance with any relevant payment terms.

It is also agreed that in the event of failure by the Purchaser to timely provide the Seller with information, documentation and/or any materials and/or information and/or approvals necessary for the supply of the Equipment and in the event that the Purchaser somehow causes the delay in the delivery of the Equipment, all the related expenses incurred by the Seller shall be charged to the Purchaser and the Seller shall not be liable for any delay.

(6) The Parties shall not be responsible for any failure or delay in performing their respective obligations or for any loss, cost, damage, expense and penalty whatsoever to the extent this is due to a Force Majeure Event. Notwithstanding the foregoing, a Party's inability to make payment due to lack of funds shall not be considered a Force Majeure Event. On the occurrence of a Force Majeure Event, the Party affected shall promptly give written notice to the other, and shall be excused from performance of the affected obligations for so long as the Force Majeure Event and the effects thereof continue. The Party affected shall make all reasonable efforts to remove the Force Majeure Event as promptly as reasonably practicable and shall resume performance of its obligations hereunder forthwith upon the cessation of such Force Majeure Event and the effects thereof. If performance is still delayed or prevented by a Force Majeure Event after the expiry of six (6) months from the date of first delay or prevention, either Party may terminate the Agreement for convenience by written notice to the other Party and without any obligation to pay damages to the other Party as a consequence of such termination. Delivery dates and performance terms shall also be extended by that time period during which the Purchaser fails to fulfil its duties of cooperation required for the performance of the Agreement. The aforementioned provisions also apply if such events occur at a point in time in which Seller is already in default of performance.

(7) Any Purchaser's requests of grace periods in performing Purchaser's obligations must be issued by the latter in writing and accepted by the Seller in writing in order to be valid. Seller shall not be liable for any damages caused by delay in the event that such delay is due to slight negligence on the part of the Seller or of its vicarious agents or employees. The Purchaser's delay or non-compliance with payments shall entitle Seller to delay or suspend the delivery of the Equipment and Seller shall in no event be liable for such delay or suspension.

(8) Unless the Parties have otherwise agreed in writing, the costs for the insurance of the Equipment shall be borne by the Purchaser.

## **§ 6 Transfer of risk**

(1) In the event that the Equipment is delivered on Seller's factory pursuant to Sections 4 and 5 above, the risk of the damage to and loss of the Equipment passes to the Purchaser at the time at which Seller notifies the Purchaser that the Equipment is ready for collection. In the event that the Equipment is not delivered on Sellers' factory, the transfer of risk on the Purchaser takes place upon the handing-over of the Equipment to the shipment company or to the person named by the Purchaser as responsible for the shipment.

(2) If Seller chooses the shipment mode, shipment route or the entity responsible for the shipment, Seller shall not be liable for any delay or damage or loss to the Equipment or for any other damages or loss arising therefrom.

## **§ 7 Delay and payment**

(1) Any objections of the Purchaser relating to the invoicing must be communicated in writing to the Seller within fifteen (15) days from the date of the invoice. In the absence of any objections raised in writing by the Purchaser within such term of fifteen (15) days, the invoice shall then be considered as being accepted by the Purchaser.

(2) In the event that the payment is not made within the agreed terms, the Seller shall have the right to charge to the

Purchaser interest at the rate of 8% over the applicable base interest rate or the highest rate allowed by law upon any amounts, without being required to give notice to the Purchaser about its breach of the payment terms. Seller reserves the right to claim that it has suffered additional damages.

(3) It is expressly agreed that if the Purchaser does not pay and/or delays a payment or even a single instalment, the Seller shall be automatically entitled to:

- request immediate payment of any residual amount or any outstanding amount due by Purchaser;
- request the refund of all the expenses incurred for the recovery of said amounts, including but not limited to attorneys' fees and court costs, save the right to claim compensation for any further damages which may have been incurred;
- suspend any delivery and terminate the Agreement for Purchaser's breach with immediate effect.

(4) If the Purchaser does not pay and/or delays a payment of any amount after the Equipment has been delivered, the warranties provided by Seller on the Equipment shall cease and have no legal effect until such time that Purchaser has cured all payment defaults including any applicable penalties and interest. In any case the warranty period shall continue to run.

(5) Seller reserves the right to claim additional damages due to the delay.

(6) If following the granting by the Seller of a reasonable grace period to the Purchaser, the latter fails to collect or expressly declares that it does not wish to collect the Equipment, Seller shall be entitled to terminate the Agreement and demand damages.

### **§ 8. Intellectual Property**

(1) The entire rights, title, interest and the ownership of the Intellectual Property Rights regarding the Equipment, including the Seller's know-how, shall remain vested in and be owned exclusively by the Seller. The Purchaser shall not acquire any Intellectual Property Rights concerning the Equipment. The provisions of this General Terms and Conditions shall not attribute to the Purchaser and cannot be construed as attributing to the Purchaser any license over the Intellectual Property Rights regarding the Equipment, including the Trademarks, which remains the exclusive property of the Seller. In any case, Purchaser shall use the Trademarks only in the manner required or authorized and permitted in writing by Seller and only in connection with the performance of the Agreement. Purchaser shall not remove or alter any of Seller's or other third party's trademarks, tradenames, service marks or logos affixed to or included with the Equipment.

(2) The Purchaser shall promptly give notice in writing to the Seller in the event that it becomes aware of any IP Claim. In the event of any such IP Claim, the Purchaser shall:

- grant the Seller the right to assume sole authority for the conduct of the defense or settlement of such IP Claim or any related negotiations; and
- promptly provide all reasonable information and assistance as the Seller may request.

In the defense or settlement of the IP Claim, the Seller may, at its option:

- obtain for the Purchaser the right to continue using the Equipment in accordance with the Agreement; or
- replace or modify the Equipment so that it become non-infringing; or
- if such remedies are not reasonably available, terminate the Agreement forthwith by notice in writing, refunding the price paid by the Purchaser for the Equipment and without any further liability to the Purchaser.

The Seller shall have no liability in any circumstances if the alleged IP Claim is based on:

- specifications or other information/materials provided by the Purchaser;
- modifications, repairs or remedial work to the Equipment by anyone other than the Seller;
- the combination of the Equipment with products not manufactured by the Seller; or
- use or maintenance of the Equipment not in compliance with the instructions of the Seller.

(3) The foregoing are the Purchaser's sole and exclusive rights and remedies, and the Seller's entire obligations and liability, in the event of any IP Claim notified under this article.

### **§ 9. Confidentiality**

(1) The Receiving Party undertakes and agrees with the Disclosing Party as follows: i) To take all necessary steps to hold Confidential Information in confidence; ii) Not to use or permit the use of all or any part of the Confidential Information except for the administration and implementation of the Agreement; iii) To disclose the Confidential Information only to its group member's officers, employees and agents having a need-to-know for the administration and implementation of this Agreement; and iv) Not to disclose, transmit, communicate or make available the Confidential Information to any other third party and not to permit any of the foregoing. The Receiving Party agrees that each officer, employee and agent having access to Confidential Information will be advised as to the confidentiality of such Confidential Information and will act in a manner to effect full compliance with the terms of this Agreement. The Receiving Party shall be responsible for any breach by any such officer, employee and agent.

(2) The Receiving Party further agrees to return to Disclosing Party, upon written request, all and any physical embodiments or electronic versions of Confidential Information disclosed under this Agreement.

(3) This Agreement will be kept confidential by the Parties. Accordingly they will not be disclosed in whole or in part by any Party to any third parties (except as may be required by law) without the prior written permission of the other Party.

(4) The Parties acknowledge and agree that they are not entitled to make any announcement or publication regarding this Agreement or their relationship under it without the other Party's prior written consent.

(5) Without prejudice of article 9 (6) The obligations of confidentiality above shall survive termination for any reason or cause of this Agreement for a period of five (5) years.

(6) The Purchaser acknowledges that Seller Know-How is protected as a secret and represents a significant economic value for the Seller which has taken appropriate measures in order to ensure its secrecy. If during the execution of the Agreement the Purchaser becomes aware of Seller Know-How, the Purchaser undertakes: i) to keep secret and not to disclose the Seller

Know-How to third parties, as well as not to disclose, copy, reproduce or distribute it by any means, directly or indirectly, and to fulfill the secrecy obligation so that Seller Know-How maintains, even after the termination of the Agreement for whatever reason or cause, its secrecy requirement, as stated by the applicable laws, including Art. 98 of the Legislative Decree dated 10 February 2005 n. 30, Article 39, paragraph 2, of the TRIPs-Trade Related Aspects of Intellectual Property Rights Agreement ratified by Italy with the Law no. 747/1994 and the EU Directive 2016/943 dated 8 June 2016; ii) not to use Seller Know-How for purposes other than those provided for in the Agreement and in any case those authorized in writing by the Seller; iii) to implement all security measures (legal, organizational, IT and physical) to protect Seller's Know-How - including those that may be requested from time to time by the Seller itself - from disclosure, loss, destruction or theft; iv) at any time to promptly destroy and at its own expenses, at the request of the Seller, all copies of documents in its possession (either on paper or in electronic form) containing Seller's Know-How by giving subsequent written confirmation to the Seller. The provisions of this article or the Agreement do not attribute to the Purchaser and cannot be construed as attributing to the Purchaser any license or right to use, reproduce, develop or exploit the Seller Know-How, which remains the exclusive property of the Seller. The terms and conditions set forth in this Article shall prevail over any conflicting provisions in the Agreement.

#### **§ 10 Warranty**

(1) Seller warrants that the Equipment is free of material defects that significantly impair the contractual use, and that they are not encumbered with third-party rights that interfere with the contractual use.

(2) The Seller undertakes to repair or replace, at its discretion, or to appoint a third authorized party to repair or replace any Equipment supplied to the Purchaser in the event that a defect is discovered in the materials or in the manufacturing, in a condition of ordinary and correct use and maintenance, for a period of 12 (twelve) months from the installation of Equipment - being understood that such warranty period shall not exceed 18 (eighteen) months from the delivery of the Equipment - , and further provided that:

- the Equipment has been used for the purpose for which it was intended and that it has been used or handled in accordance with the operating instructions;
- the Purchaser has inspected the Equipment promptly following their delivery;
- written notice of the defect is immediately delivered to the Seller upon its discovery;
- the Equipment has not been repaired or modified by anyone other than the Seller or any third authorized party so appointed;
- the defect is not attributable to Purchaser;
- the Purchaser has not breached any of its payment obligations with respect to such Equipment.
- The Equipment has not been improperly handled, excessively used, inappropriately used or a Force Majeure Event" occurs.

(3) The guarantee shall not be extended to those parts which are subject to ordinary wear and tear, and to those damages caused by inexperience or negligence of the Purchaser, nor shall it include damages caused by an incorrect use or the use in unsuitable environments in breach of the instructions supplied by the Seller, or by using materials different from those supplied during the operational testing activities (if any). The return to the Seller of any products by the Purchaser shall not be deemed as an acknowledgement of the Seller in regard of the claimed defect. The Purchaser shall not be entitled to delay, withhold and/or set off the payment of any Equipment or other goods which are the subjects of a guarantee claim.

(4) Seller's liability for defects in the Equipment is strictly limited to the foregoing guarantee and Seller expressly disclaims any implied guarantee or warranty to the full extent permitted by law.

(5) In relation to the repair or replace of the Equipment, the Purchaser shall bear any additional costs arising from any relocation of the Equipment to a location different from the place at which it was used by Purchaser

#### **§ 11 Liability/disclaimer**

(1) Seller's contractual and non-contractual liability to pay damages is limited to the following extent:

(2) IN NO EVENT SELLER BE LIABLE FOR LOSS OF PROFIT OR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES AND LOSSES IN CONNECTION WITH ITS PERFORMANCE UNDER THIS AGREEMENT OR ANY BREACH THEREOF (INCLUDING WITHOUT LIMITATION, DAMAGES RESULTING FROM LOSS OF USE, LOSS OF PROFITS, INTERRUPTION OR LOSS OF BUSINESS, LOST GOODWILL, LOST REVENUE AND LOST OPPORTUNITY).

(3) The foregoing limitations of liability shall not apply in case of willful intent or gross negligence.

(4) In any case the total aggregate liability of the Seller to the Purchaser under the Agreement or otherwise shall not exceed the 20% (twenty percent) of the purchase price of the Equipment in relation to which the event causing the damages occurred.

#### **§ 12 Retention of title**

(1) Without prejudice of the provision of article 6 (1) the property of the Equipment will pass to the Purchaser only once all of conditions set forth by the Agreement have been fulfilled by Purchaser, the price of the Equipment has been entirely paid by Purchaser, and provided that no claims are pending against the Purchaser (including but not limited to ancillary claims, payment of default interest and of any compensation claims).

(2) The Purchaser shall assign to Seller in advance all credits which may arise from the Equipment or related thereto, and such assignment shall be made for the amount of the total invoice total related to the Equipment (including value-added tax). Purchaser shall remain entitled to collect the assigned credits as part of its normal business dealings. In the event that the Equipment is modified or combined with goods or materials belonging to third parties, Seller shall become co-owner of such goods. The same provision applies if the Equipment which is subject to retention of title is inextricably combined with other goods. The retention of title and the resale authorization likewise apply to the modified good.

(3) In relation to any enforcement proceedings regarding the Equipment, including attachment orders, the Purchaser shall promptly inform any third party and/or creditors concerned about the ownership over the Equipment or goods subject to

retention of title and notify Seller promptly. If the Purchaser fails to fulfil this obligation, it shall be liable for the costs incurred by Seller.

(4) If the Purchaser is in default of payment, Seller shall be entitled to take back the Equipment or the goods subject to retention of title from the Purchaser or even from third parties; this shall be performed at the cost of the Purchaser. To this end the Purchaser hereby assigns to Seller any credits it may have against third parties for a value corresponding to the amount due by to the Seller, and Purchaser undertakes to perform any act or activity necessary in order to complete such assignment.

#### **§ 13 Offset**

(1) The Purchaser is entitled to offset counterclaims or credits or other amounts only if these are undisputed by Seller or have been confirmed by way of a res judicata decision.

#### **§ 14 Termination**

(1) Each Party may withdraw from the Agreement and at any time by sending a letter to the other Party in case of winding up, liquidation (whether or not voluntarily), business termination, insolvency, as well as in the case of motions for bankruptcy against the other Party and/or of any other similar proceedings started and/or threatened against the other Party (including in the event of appointment of a receiver, liquidator, administrator, supervisor or administrative receiver). The withdrawal shall not imply the payment of any consideration, compensation, penalty or indemnification or damages under any title or cause except that Purchaser shall pay the price that might have accrued as of the date of withdrawal.

(2) Without prejudice of any other right provided by law, Seller shall be entitled to immediately terminate the Agreement in the following events:

- Purchaser does not perform or breaches, in whole or in part, the obligations set forth in articles 4, 5, 8, 9;
- Purchaser does not perform or otherwise breaches, in whole or in part, the warranties provided by article 15.
- in connection with the performance of its obligations under the Agreement Purchaser commits any act or omission which shall be fraudulent, dishonest, grossly negligent or illegal or which constitutes willful misconduct or willful concealment;
- any officers or representatives of the Purchaser commit or are convicted or charged of a criminal offence related to the business or professional conduct or of an act of grave misconduct in the course of the business.

In the event that one of the events described in this article will occur, Seller may notify it in writing to Purchaser and declare the termination of this Agreement.

#### **§ 15 Code of Ethics and commitment to respect international business ethics**

Purchaser declares that it is aware that Seller has adopted a Code of Ethics and Conduct, and warrants that it will comply with this Code of Ethics and Conduct, which, it declares to have received, to know in full and to have accepted. The Purchaser also undertakes to comply with the provisions and the implementing legislation/regulation of the "OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions" (including related Documents and Recommendations), as well as of the "United Nations Convention against Corruption", as well as with all applicable legislative, regulatory and administrative rules or provisions on combating private or public bribery and/or corruption - as well as with any and all applicable international and national provisions which have the same purpose. The breach of these obligation is a material breach of this Agreement, which Seller will be entitled to terminate with immediate effect as well as to request compensation.

#### **§ 16 Applicable Law and exclusive jurisdiction**

The Agreement and these Terms and Conditions of Sale shall be governed by and construed in accordance with the Law of the Republic of Italy without reference to conflicts of laws principles. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded. Any dispute arising out of or in connection with the Agreement and these General Terms and Conditions, including any issue regarding its existence, validity or termination and related to Equipment shall be submitted to the exclusive jurisdiction of Italian Courts and to Tribunal located in the venue where Seller has its company address. Seller shall also have the right at its discretion to pursue actions before the court with jurisdiction over the Purchaser's registered address or before any other court with jurisdiction under national or international law.

#### **§ 17 Miscellaneous**

(1) These General Terms and Conditions replace all previous agreements made between the contractual partners. Amendments, additions, ancillary agreements and the stipulation of grace periods, terminations and the assumption of guarantees must be issued in writing in order to be enforceable. The contractual partners also satisfy the written form requirement by sending the documents by fax or email.

(2) If any of the provisions of these General Terms and Conditions are wholly or partially unenforceable, or prove in the future so to be, this will not prejudice the enforceability of the remaining provisions.

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