

GENERAL CONDITIONS OF SALE

Article 1 - Definitions

In the General Conditions of Sale, the terms indicated below shall have the meaning specified, for each of them, as follows:

- a) “*Contract*”: the individual sale contract entered into between Losma S.p.A. unipersonale (tax code and VAT no. 01234590162 - REA/Economic Administrative Index no. 185685), operating at Via Enrico Fermi 16, Curno (Bergamo), Italy – tel. +39 035 461444, fax +39 035 461671, email info@losma.it, certified email losma@pec-mail.it, website www.losma.it (hereinafter also simply: “*Losma*”), and the purchaser, as defined in letter d), regarding the transfer of ownership, from the former to the latter, of a Product or Products, according to the definition under letter b);
- b) “*Product*” or, in the plural, “*Products*”: machinery or equipment, covered by the Contract and/or sale negotiation, manufactured and marketed by Losma at the time of receipt of the Order as defined below;
- c) “*Vendor*”: Losma
- d) “*Purchaser*”: the business professional, be this a natural or legal person, purchasing Products manufactured and marketed by the Vendor;
- e) “*General Conditions*”: the general conditions of sale set out in this text;
- f) “*Proposal*”: the price proposal presented by the Vendor to the Purchaser;
- g) “*Order*”: the purchase proposal formulated by the Purchaser in view of and based on the Proposal;
- h) “*Order Confirmation*”: confirmation of the order, sent by the Vendor to the Purchaser;
- i) “*Factory*”: the Vendor’s premises, located at Via Enrico Fermi 16, Curno (Bergamo), Italy;
- j) “*Party*” or, jointly, “*Parties*”: the Vendor and the Purchaser.

Article 2 - Scope of the General Conditions. Validity and Effectiveness

2.1 These General Conditions apply between the Vendor and the Purchaser and form an integral part of all contracts entered into between the Parties, regulating their relationship, even where not expressly referred to.

2.2 The Purchaser, before placing an order as defined in Article 3.2, undertakes to consult these General Conditions, available at the link <https://www.losma.it/en/il-gruppo/condizioni-generalivendita/>, indicated by the Vendor in the Proposal pursuant to Article 3.1; having consulted the said General Conditions, it shall be the Purchaser’s responsibility to print them, save an electronic copy of them or otherwise retain them. In any case, the Vendor shall provide the said Purchaser with a copy together with the Order Confirmation pursuant to Article 3.4, as well as upon delivery of the Product(s) pursuant to Article 7.

2.3 Any special conditions agreed between the Parties shall only be valid where indicated in the Proposal and Order and, subsequently, accepted in the Order Confirmation, and shall prevail over the General Conditions, constituting a derogation from these. The Purchaser may therefore neither invoke nor contest conditions other than those contained in these General Conditions and/or agreed in writing pursuant to the previous sentence.

2.4 The General Conditions are valid for the entire duration indicated in the Proposal, the Order and, therefore, the Order Confirmation or, in the absence of an end date, for the entire period necessary for complete and correct fulfilment of the Contract.

2.5 References to regulatory sources of all levels cited in these General Conditions are to be understood as to the texts in force at the time of application of the provision contained therein.

Article 3 - Formation of the Contract

3.1 On request by the Purchaser, the Vendor shall present the former with a Proposal specifically indicating the Product(s) proposed and the relative price(s). Under no circumstances shall the said Proposal be considered binding.

3.2 The Purchaser, in completing the Order in writing by sending the form, which must contain all elements necessary for correct identification of the said Purchaser and the Product(s) ordered, thereby formulates its purchase proposal to the Vendor.

3.3 The Purchaser shall be bound by its Order, which may not be altered and/or withdrawn without prior written consent from the Vendor. Conversely, the latter, having received the Order, shall not be obliged to accept it but reserves the right to assess and, if applicable, accept it.

3.4 The Contract shall only be considered entered into once the Order has been expressly accepted in writing by the Vendor by sending the Purchaser an appropriate Order Confirmation.

Article 4 – Product Characteristics

4.1 Any information concerning Product data, specifications and/or characteristics contained in catalogues (including electronic ones), brochures, pamphlets, price lists or similar informative materials shall only be binding for the Vendor if and to the extent expressly indicated in the Proposal and Order and, therefore, accepted in the Order Confirmation.

4.2 The Vendor reserves the right to make any modifications to the Product(s) indicated in the Proposal and, therefore, the Order that it should deem necessary, or merely appropriate, without altering the essential characteristics of the said Product(s), for the purposes of complete and correct fulfilment of the Contract, providing the Purchaser with written notification to this effect.

Article 5 – Price and Terms of Payment

5.1 The prices of the Product(s) are those indicated by the Vendor in the Proposal and shown in the Order and, therefore, the relative Order Confirmation. The said Vendor reserves the right to unilaterally alter, without prior notice and with immediate effect on all Orders, prices indicated in the Proposal where such adjustment is rendered necessary by reasons of force majeure, such as, for instance but not limited to, increased labour and/or raw material costs or changes in exchange rates. Except in the cases mentioned in the previous sentence, any alterations to prices already indicated by the Vendor in its Proposals shall only apply to Orders received from the day after the Purchaser has been notified in writing of such alterations.

5.2 The aforementioned prices are net of any discounts, VAT and all other taxes, duties and charges, including customs fees, relating to the Contract, as well as all expenses, packaging, postage, insurance and/or other costs of shipping and transport of the Product(s) from

the Vendor's premises, all of which, without exception, are and remain the sole responsibility of the Purchaser, unless otherwise agreed between the Parties in the Proposal, the Order and, therefore, the Order Confirmation.

5.3 Unless otherwise expressly stated in the Proposal, payment must be made in advance, upon placement of the Order, by crediting the full amount for the Product(s) to the Vendor's current account, indicated therein. The said payment is non-interest-bearing and will be promptly reimbursed to the Purchaser by bank transfer in the absence of an Order Confirmation under the terms indicated in Article 3.3.

5.4 If, on the other hand, the Parties, based on the contents of the Proposal, the Order and, therefore, the Order Confirmation, have expressly agreed on deferred payment, the amount must be paid by the Purchaser by the expiry date indicated on the invoice, by bank transfer to the current account indicated therein, net of any deposit already paid or any discounts, reductions or compensations granted to the latter and indicated in the Order Confirmation. In any case, the Vendor shall be entitled to make delivery and/or shipping of the Product(s) conditional upon full advance payment of the amount by the Purchaser or upon provision by the latter of any security that may have been agreed, without prejudice to the provisions of Article 5.5, below.

5.5 In the event of failure by the Purchaser to comply with the terms of payment, the Vendor shall be entitled, pursuant to Article 1460 of the Italian Civil Code, to immediately suspend shipping of the Product(s) and, furthermore, to order the Purchaser - by written notice sent to the latter by registered letter with return receipt or by certified email - to proceed with payment of the amount within a period of no less than 15 (fifteen) days, with the express warning that, if it should fail to do so within the prescribed time limit, the Contract shall be considered automatically terminated, in accordance with Article 1454 of the Italian Civil Code, without prejudice, in any case, to the right to compensation for damages.

Article 6 – Hire Purchase with Retention of Title

6.1 If hire purchase with retention of title, in accordance with Articles 1523 et seq of the Italian Civil Code, has been agreed, the Vendor shall retain the right of ownership of the Product(s) - even if already delivered to the Purchaser or, in any case, in the possession of or held by the latter - up until receipt of full payment of the price of the said Product(s).

6.2 Pending completion of full payment, the Purchaser must keep and maintain the Product(s) subject to retention of title with due diligence, refraining from any act liable to jeopardise the effectiveness of the said right provided for in favour of the Vendor. The Purchaser, furthermore, may not dispose in any way of Product(s) subject to retention of title.

6.3 In the event of non-payment within the prescribed time limit of even a single instalment of the price, which may be no less than one eighth of the total amount, the Vendor shall be entitled to automatically terminate the Contract pursuant to Article 1456 of the Italian Civil Code, declaring to the Purchaser its wish to apply this express termination clause by notice sent to the latter by registered letter with return receipt or by certified email. In this case, the Vendor shall be entitled to repossess the Products, without formal procedures, at the risk of the Purchaser, the latter having exclusive responsibility for any costs, and to obtain fair payment for use of the Product(s) as well as compensation for damages, also by withholding, for this purpose, any instalments already paid, without prejudice to the right to compensation for further damages where the sum of the said instalments does not fully cover fair payment for use of the Product(s) and full compensation for damages.

6.4 The provisions of Article 6 and, in general, the additional terms agreed in the General Conditions shall prevail over Articles 1523-1526 of the Italian Civil Code, whose application shall be residual and supplementary. In the event of international sale, the Purchaser is obliged to complete, at its own expense and initiative, all formalities required for application of this retention of title clause in the country of destination of the Product(s).

Article 7 – Terms of Delivery. Shipping

7.1 Unless otherwise agreed between the Parties in writing, based on the contents of the Proposal, the Order and, therefore, the Order Confirmation, the Vendor shall deliver the Losma Product(s) ex-works in accordance with INCOTERMS 2020. The Vendor shall, therefore, deliver the Product(s) to the Purchaser on the ground at its Factory, together with any export documents if indicated in writing in the Proposal, the Order and, therefore, the Order Confirmation. The Purchaser shall, however, be responsible for all costs and risks of transport and shipping, even where expressly agreed that these (or part of thereof) shall be taken care of by the Vendor, including the cost and risk of loading onto the transport vehicle at the Vendor's Factory. Only if provided for in writing in the Proposal, the Order and, therefore, the Order Confirmation shall the Vendor be obliged, at the Purchaser's cost and risk, to provide the latter with assistance in obtaining export documents.

7.2 In the case of shipping or transport, the Purchaser, on receipt of the Product(s), shall open the packing and check the said Product(s) for damage and correspondence to the contents of the Order and Order Confirmation. If any damage or missing Product(s) or part thereof are found, the Purchaser shall immediately notify the shipping agent or carrier, expressing the relevant reservations regarding the transporter in detail and in writing and, in any case, in according to the methods established for the transport method used, also informing the Vendor within and no later than 15 (fifteen) days. In the event of defects and/or discrepancies found to be attributable to the Vendor, Article 8, below, shall apply.

7.3 Delivery shall take place, indicatively, within the time limit indicated in the Proposal and the Order, as accepted in the Order Confirmation. The terms of delivery are purely indicative and not binding, and do not include transport times.

7.4 If the Vendor does not deliver the Product(s) within the terms pursuant to Article 7.3, above, the Purchaser may order it - by written notice sent to the latter by registered letter with return receipt or certified email - to proceed with delivery within a period to be agreed at that time by the Parties and no less than 30 (thirty) working days, with the express warning that, if it should fail to do so within the prescribed time limit, the Contract shall be considered automatically terminated, in accordance with Article 1454 of the Italian Civil Code. In this case, the Purchaser shall not, in any case, be entitled to any compensation except in the case of malice or gross negligence.

7.5 In any case, the Vendor shall not be held responsible for any delays or non-delivery of the Product(s) attributable to reasons of force majeure, meaning that, for the purposes of Article 7, any exceptional act, circumstance or event outside of the said Vendor's control, not attributable to or preventable by the latter through ordinary due diligence, such as, for instance, but not limited to, (i) inaccuracy, inadequacy or incompleteness of technical information and/or data necessary for shipping of the Product(s) or delay by the Purchaser in communicating the same, (ii) delays by the shipping agent and/or carrier, (iii) unforeseeable difficulties experienced by the Vendor in obtaining raw materials, (iv) problems and/or difficulties with the manufacture or planning and/or management of Orders, (v) strikes, electric power line failures, natural disasters, measures imposed by the public authorities, transport difficulties, riots, terrorist attacks, etc. The occurrence of the above-mentioned acts, circumstances and events shall not entitle the Purchaser to any compensation for damages, except in the case of malice or gross negligence.

7.6 Once the Product(s) are ready for delivery, the Vendor shall send an appropriate notice to the Purchaser, who, within a maximum period of 15 (fifteen) calendar days from receipt of this notice, shall take delivery of the said Product(s), either by collection or by requesting transport or shipping of the same under the terms of Article 7.1. If the Purchaser does not take delivery of the Product(s) within the above-mentioned period, the Vendor shall be entitled to automatically terminate the Contract pursuant to Article 1456 of the Italian Civil Code, declaring to the Purchaser its wish to apply this express termination clause by notice sent to the latter by registered letter with return receipt or by certified email. In this case, the Purchaser shall be obliged to pay the Vendor a penalty of 20 (twenty) % of the value of the undelivered Product(s), without prejudice to the said Vendor's right to compensation for further damages. It is, however, understood that, in the case of advance payment by the Purchaser of the price of the Product(s), in accordance with Article 5.3, or advance payment of one or more instalments in the case of hire purchase with retention of title, pursuant to Article 6, such advance payment shall be withheld by the Vendor as a penalty, in accordance with Article 7.6, up to the above-mentioned 20 (twenty) % of the value of the Product(s), without prejudice to the right to compensation for further damages.

Article 8 – Warranty for Defects

8.1 Without prejudice to the provisions of Article 4, above, and of Article 8.8, below, the Vendor hereby guarantees, under the terms and conditions pursuant to Article 8.4, below, that the Product(s) shall be compliant, in terms of quantity and quality, with the description in the Order and Order Confirmation and shall be free from defects or faults that would render it/(them) unsuitable for the normal intended use of products of the same type.

8.2 In the event of finding discrepancies and/or defects pursuant to Article 8.1, above, the Purchaser is obliged to report these to the Vendor, by registered letter with return receipt or by certified email, within 15 (fifteen) days of their discovery, specifying their nature and extent in detail and accompanying the said report with all documentation, including photographs, necessary in order to prove the existence of the discrepancies and/or defects found, otherwise the right to warranty shall be lost. Within a period of 15 (fifteen) working days from receipt of the report, the Vendor - to enable it to perform all checks it deems necessary in order to establish the existence of the discrepancies and/or defects reported - reserves the right, at its sole

discretion, either (i) to travel, on a date and at a time communicated in writing by the Vendor to the Purchaser, to the latter's premises, or (ii) to request written confirmation by the Purchaser that the Product(s) and/or part thereof affected by defects and/or faults have been made available to the Vendor, at the Purchaser's expense and initiative, at the latter's Factory, it being agreed and understood between the Parties that the Purchaser shall lose the warranty pursuant to this Article if it fails to provide access to its premises under the terms indicated in point (i), above, or to fulfil its obligation pursuant to point (ii), above, within the established peremptory term.

8.3 It is, in any case, agreed and understood that the warranty pursuant to this article shall be valid for 365 days from delivery pursuant to Article 7, it being understood that the said warranty shall not, in any case, apply where the hourly usage limit of 2000 hours for the individual Product has been exceeded.

8.4 Without prejudice to the provisions of Article 8.6, if the warranty is applicable under the terms provided for in Articles 8.2 and 8.3, its applicability shall be limited, at the Vendor's sole discretion, either to (i) replacement or (ii) repair of the Product(s) or part thereof found to be affected by discrepancies and/or defects and/or faults, at no expense to the Purchaser, with the exception of those expenses indicated in Article 8.5, below. In the case of replacement or repair of individual parts, it is, in any case, agreed and understood that the warranty provided by the Vendor shall remain subject to the original warranty period and hourly usage limit set out in Article 8.3, above, and that the replaced parts shall remain the property of the Vendor.

8.5 Replacement or repairs pursuant to Article 8.4, above, shall be performed, here again, at the sole discretion of the Vendor, either: (i) by the Vendor at its own Factory, the Purchaser being obliged, at its own expense and initiative, to send and subsequently collect the Product(s) or individual part thereof; (ii) by the Vendor or a third party designated the latter, at the location of the Product(s), the Purchaser being obliged to bear the costs of travel, board and lodging; (iii) by the Purchaser itself, the Vendor being obliged to provide the necessary instructions and to deliver, free of charge, ex-Factory, any spare parts or to reimburse the cost of those obtained by the Purchaser itself subject to express instructions to that effect by the Vendor.

8.6 In the event of discrepancies and/or defects pertaining to components not directly manufactured by the Vendor but supplied to it by a third party, the warranty shall be provided within the limits and under the conditions of the warranty provided by the latter to the Vendor, as indicated in the Proposal, the Order and, therefore, the Order Confirmation or by a document attached thereto.

8.7 The Parties, pursuant to Article 6 of Italian Law 765 of 11 December 1985 (on "Ratification and implementation of the United Nations Convention on Contracts for the International Sale of Goods, adopted in Vienna on 11 April 1980"), hereby agree, in the case of a Contract entered into with a Purchaser with registered office in a non-Italian State, to exclude, in any case, application of the provisions pursuant to Article 40 of the Vienna Convention, concerning barring of the Vendor from voiding the warranty in the presence of non-conformity regarding facts of which it was aware or could not have been unaware and which were not reported to the Purchaser, as well as the provisions of Article 44 of the said Convention, concerning the Purchaser's right to a price reduction and compensation for actual damage even in the case non-reporting with a reasonable excuse.

8.8 The warranty pursuant to this Article shall, in any case, be excluded: (i) for the electrical parts of the Product(s); (ii) for all parts normally subject to wear or rapid deterioration, such as, for instance, but not limited to, filters, washers, tools, etc.; (iii) for discrepancies and/or defects and/or faults directly or indirectly attributable to information, data, plans, materials or any other tangible or intangible goods supplied, indicated by or requested by the Purchaser or third parties acting on its behalf in any capacity; (iv) for discrepancies and/or defects and/or faults directly or indirectly attributable to incorrect, excessive or improper use of the Product(s) and, in any case, all instances of use of the said Product(s) other than the intended one according to the relative technical documentation; (v) in the event of malfunctions caused by incorrect assembly or incorrect installation of the Product(s) or by any installation, replacement, repair, alteration or modification performed outside the Factory or, in any case, by personnel not directly employed and/or authorised by the Vendor; (vi) in case of use of non-original components or consumables (such as, for instance, but not limited to, filters, washers, etc.); (vii) in case of defects, faults or malfunctions resulting from accidental damage.

Article 9 – Limitation of Liability and Damage Compensation

9.1 Except in the case of malice or gross negligence by the Vendor, and without prejudice to the provisions of Article 8, above, any further liability by the said Vendor - either contractual or extracontractual, also in relation to any intellectual or industrial property rights claimed by third parties - that may arise from or be related to the Contract and/or to discrepancies, defects and/or faults in the Product(s)

to which the said Contract relates shall be excluded, including, for instance but not limited to, liability for any direct and/or indirect damages and liability for actual damage and/or loss of earnings.

9.2 Any liability for damages that should, for any reason, arise on the part of the Vendor towards the Purchaser, within the limits set out in Article 9.1, above, may not, in any case, exceed the price of the Product(s) or the share of the price relating to the defective part thereof actually paid by the Purchaser.

Article 10 – Disclaimer

10.1 The Purchaser hereby undertakes to indemnify and hold entirely harmless the Vendor against any liability and/or consequences, civil and/or criminal, deriving from violation of rights and/or legitimate interests of third parties.

Article 11 – Withdrawal

11.1 The Vendor shall be entitled to withdraw from the Contract at any time, without prior notice, informing the Purchaser by registered letter with return receipt or by certified email, subject to refund of any amount already paid by the Purchaser.

Article 12 – Express Termination Clause

12.1 The Vendor shall be entitled to automatically terminate the Contract with immediate effect pursuant to Article 1456 of the Italian Civil Code, declaring to the Purchaser its wish to apply this express termination clause by notice sent to the latter by registered letter with return receipt or by certified email, if the said Purchaser fails to promptly comply with even one of the obligations provided for: (i) by Article 7.6 on taking delivery of the Product(s); (ii) by Article 6.3 on non-payment of price instalments within the relative time limit.

Article 13 – Consent to Personal Data Processing

13.1 The Parties hereby undertake to process personal data of which they may become aware during fulfilment of the Contract in accordance with the provisions of Regulation (EU) 2016/679 (known as the General Data Protection Regulation - GDPR).

13.2 In this regard, the Parties hereby declare that they have received the respective policy statements.

13.3 Upon termination of the effects of the Contract, for whatever reason, each Party shall retain control of the personal data for which it has obtained the relative consent to processing.

Article 14 – Applicable Law and Competent Courts

14.1 These General Conditions and the individual Contracts regulated thereby shall be governed by Italian law.

14.2 Any disputes arising between the Parties regarding interpretation, conclusion, performance, default, termination or, in any case, cancellation, for any reason, of these General Conditions and/or the Contract shall be submitted exclusively to the competent Court of Bergamo.

Article 15 – Miscellaneous

15.1 In the event of discrepancy between the Italian and English versions of these General Conditions, the Proposal and/or the Order Confirmation, the former shall prevail, constituting the only authentic text for interpretative purposes.

15.2 These General Conditions, together with the Order and Order Confirmation, constitute the only agreement reached by the Parties regarding sale of the Product(s) and may neither be altered nor supplemented except by virtue of formal written consent by the Parties. The GCA, together with the Order and Order Confirmation, replace any other, previous agreement, either written or verbal, that may have been reached between the Parties on the same matter.

15.3 Any invalidity of one or more provisions of these General Conditions and/or the Order and/or the Order Confirmation shall not affect the validity of the Contract as a whole.

15.4 Delay or omission in exercising a right under these General Conditions and/or the Order and/or the Order Confirmation, or partial or individual exercise of such a right, shall not constitute waiver of the right in question or of any other right established in these General Conditions. Tolerance of a violation of an express or implied provision of these General Conditions and/or the Order and/or the Order Confirmation shall not be considered a waiver of any subsequent breaches.

15.5 Entering into the Contract shall not give the Purchaser the right to territorial exclusivity nor constitute engagement of the latter as a distributor or dealer of the Vendor.