

Terms and Conditions of Sale and Delivery (09/2024) Aqseptence Group Carpi Srl (AS Carpi)

I. General Provisions

1. This offer is addressed to private legal entities identified as entrepreneurs under the Italian Civil Code, to public law legal entities, and to special public law funds. The following Terms and Conditions apply exclusively to transactions involving goods and services. Any additional purchase conditions provided by the customer, unfavorable to AS Carpi, will not apply unless accepted in writing on a case-by-case basis by the company. The delivery of goods, the performance of services, or the receipt of payments without reservation shall not constitute acceptance of terms and conditions other than those expressed in these general conditions. Pursuant to Article 1326 of the Italian Civil Code, the contract will be finalized when AS Carpi becomes aware of the customer's acceptance of the offer. AS Carpi may also proceed with the execution of the order without waiting for formal acceptance from the customer, but according to Article 1327 of the Italian Civil Code, it must promptly notify the customer.
2. AS Carpi reserves the ownership and copyright of all information and documents provided to the customer during the contractual relationship, such as samples, models, cost estimates, drawings, technical illustrations, material and immaterial information, also in electronic format. This information may not be disclosed to third parties or used by them in any way and will remain the property and fully available to AS Carpi.

II. Prices and Payment Terms

1. The purchaser acknowledges that the list price does not include shipping, customs duties, accessory import duties, insurance, applicable VAT, packaging, or other ancillary costs. Goods will be packaged in accordance with standard commercial practice and AS Carpi's company policies. The costs of assembly, installation, and commissioning of systems will be charged based on the actual costs incurred and documented.
2. If the delivery term for goods or the performance of services exceeds three months from the signing of the contract, AS Carpi reserves the right—after giving timely notice to the customer and prior to delivery or performance—to adjust the agreed price of goods or services, including shipping, proportionally to unforeseen cost increases at the time of the contract's conclusion (e.g., purchase costs, exchange rate fluctuations, changes in customs duties and taxes). For framework contracts containing pricing agreements, the three-month period starts from the date of signing the contract by AS Carpi.
3. Unless otherwise agreed, the customer is required to pay the due amount within 30 days of receiving the invoice. After this period, the customer will be considered in default without the need for formal notice. The amount indicated in the invoice must be paid in full without any deduction.
4. In case of payment delay, AS Carpi has the right to demand default interest according to Legislative Decree 231/2002. The same applies in cases where early or deferred payment has been agreed. Legal costs incurred by AS Carpi due to the customer's default will be charged to the customer as per point 1 of this section, without prejudice to the company's right to take further legal action for damages. Receipt of payment (credit date on AS Carpi's bank account) is considered the effective fulfillment of the payment obligation.
5. The customer is entitled to raise product objections only to the extent that they are uncontested by AS Carpi or acknowledged by a final court ruling, or if they initially existed as conditions for payment explicitly stated in the contract and were later converted into a claim for damages through written communication. The customer is entitled to withhold part of the payment based on the same contract.

III. Delivery, Transfer of Risk, Acceptance, Insurance

1. Unless otherwise agreed, delivery is ex-works, which is also the place of delivery and any subsequent performance. Upon request and at the customer's expense, goods may be shipped to another destination (sale with delivery to a place other than the place of performance). Unless otherwise agreed, AS Carpi has the right to determine the means of delivery (particularly the carrier, transportation route, and packaging). Partial deliveries and corresponding invoices are permitted.
2. Responsibility for accidental loss, accidental deterioration, damage, or destruction, as well as non-delivery or late delivery by third parties, transfers to the customer upon loading at AS Carpi's warehouse, or if the item to be delivered cannot or should not be shipped, upon delivery of the item and notice of readiness for delivery, even if partial deliveries have been made or AS Carpi has provided additional services, such as shipping, delivery, and installation. If, by way of exception, it is agreed that responsibility transfers to the customer after acceptance and shipment, or if acceptance is delayed or not carried out due to circumstances for which AS Carpi is not responsible, responsibility transfers to the customer on the date of the shipping notice or readiness for acceptance.
3. AS Carpi agrees to take out insurance at the request and expense of the customer. Unless otherwise agreed, AS

Carpi may insure the goods upon shipment against theft, breakage, damage, fire and water damage, and other risks at the customer's expense.

IV. Delivery Time and Delay

1. The delivery term is mutually agreed upon by the contracting parties at the time of signing the contract. Compliance with the delivery term by AS Carpi is subject to prior clarification of all commercial and technical issues between the contracting parties and the customer's fulfillment of all obligations arising from this contract, for example, providing required official certificates or approvals, approving installation drawings, or making an advance payment. Otherwise, the delivery period will be extended until the first available date after the customer's obligations are fulfilled. This provision does not apply if AS Carpi is responsible for the delay.
2. The delivery term is considered met if the item has left AS Carpi's warehouses or if a shipping notice has been given before the agreed deadline. In the case of acceptance, the agreed acceptance date or, alternatively, the notice of readiness for shipment will be decisive, except in the case of justified refusal.
3. In case of a delay in shipping or acceptance of the delivered item for reasons attributable to the customer, delay costs equal to 1% of the invoice amount for each month of delay, or the higher documented amount corresponding to the costs incurred and damages suffered by AS Carpi due to the delay, will be charged.
4. The customer may withdraw from the contract if the performance in its entirety becomes permanently impossible for AS Carpi before the transfer of risk. The customer may also withdraw from the contract if the performance of a portion of the delivery becomes impossible and they have justified grounds to refuse partial delivery. Otherwise, the customer is obligated to pay the contractual price attributable to the partial delivery. The same applies in case of impossibility for AS Carpi. Section VII (2) applies to all other cases.
5. If an impeding circumstance occurs during a delay in acceptance, or if the customer is solely responsible for such a circumstance, they remain obligated to provide full counter-performance.
6. If AS Carpi fails to fulfill its contractual obligations due to its sole responsibility, the customer may issue a notice of default to AS Carpi after two weeks have passed. In such a case, at AS Carpi's request, the customer must indicate within ten days of receiving the request whether they intend to withdraw from the contract due to the delay and/or seek compensatory damages in lieu of performance or whether they wish to continue with the performance.
7. If a previously agreed deadline is not met for reasons beyond AS Carpi's control, since, despite a payment request, AS Carpi has not been paid in full or partially within the contractual deadline, the delivery deadlines will be extended for a period equal to the delay in performance. If the customer is informed about the impediment to performance and the impediment is not merely temporary, AS Carpi has the right to withdraw from the contract, in whole or in part, for the portion that remains unfulfilled.

V. Retention of Title

1. AS Carpi retains ownership of the delivered item until full and unconditional payment of all claims arising from the business relationship.
2. Until the full payment of the secured claim, the customer may use the goods subject to retention of title only with the consent of AS Carpi. The customer must promptly inform AS Carpi in writing if and to what extent third parties assert rights over the goods subject to retention of title.
3. If the goods subject to retention of title are processed or altered by the customer, AS Carpi's retention of title extends to the new item in its entirety. If the customer processes, combines, or mixes such goods with products of third parties, AS Carpi acquires co-ownership of the resulting product in proportion to the invoiced value of AS Carpi's goods and that of the third-party product used by the customer during processing, combination, or mixing.
4. If the customer combines or mixes goods subject to retention of title with a principal element belonging to them, the customer transfers their rights over the newly resulting element to AS Carpi. If, however, the customer combines or mixes goods subject to retention of title with a principal element belonging to a third party granted for use, the customer assigns their rights to AS Carpi. In such a case, AS Carpi accepts the assignment.
5. The customer is entitled to resell goods subject to retention of title in the normal course of business. If the customer sells goods subject to retention of title without receiving the full purchase price, they must agree on retention of title with their buyer, corresponding to the obligations binding the customer to AS Carpi. The customer assigns to AS Carpi their claims based on such resales and their rights of retention of title agreed upon by the customer. AS Carpi accepts the assignment. At AS Carpi's request, the customer must inform the buyer of the assignment and provide AS Carpi with the necessary information and documentation to assert its rights against the buyer. Despite the assignment, the customer is entitled to collect its claims from the resale as long as it properly fulfills its obligations to AS Carpi.
6. In cases where the customer is subject to insolvency proceedings or their financial situation worsens significantly, compromising or even suspending the fulfillment of their payment obligations to AS Carpi, AS Carpi has the right

to withdraw from the contract with immediate effect and demand the immediate return of the delivered goods.

VI. Warranty

In the absence of further complaints subject to the provisions of section VII, AS Carpi assumes the following liability for defects and eviction, including in cases of incorrect delivery or defective installation instructions:

Warranty for Defects

1. AS Carpi guarantees that the goods delivered and the services provided will comply with applicable Italian provisions and standards. If the goods are to be used abroad, the customer undertakes to ensure compliance with the applicable local legislation and make necessary changes at their own expense, if needed.
2. Goods are free from defects if their quality conforms to what has been agreed upon by the parties. AS Carpi's product description, provided to the customer before the order and included in these Terms and Conditions of contract, will serve as the comparison standard. No additional statement of obligation (independent warranty) concerning defect claims will be made unless the customer has entered into a separate agreement with AS Carpi, governing the scope and legal consequences of the independent warranty in detail.
3. In the absence of an explicit agreement on quality, the goods are free from quality defects if they are suitable for the use indicated in the contract and conform to our quality standards. Public statements by other manufacturers or third parties do not in any way affect the definition of the intended use for the purchased goods or their compliance with quality standards.
4. Pursuant to Article 1490 of the Italian Civil Code, the seller is required to ensure that the sold item is free from defects that render it unfit for its intended use or significantly reduce its value. If a defect is evident (including incorrect delivery or partial delivery) or is discovered upon inspection or later, it must be promptly reported in writing. According to Article 1495 of the Italian Civil Code, the notice is considered timely if made within eight days of discovering the defect. Failure to provide timely notice will result in the loss of the right to warranty. In any case, the action is time-barred 18 months after delivery or 12 months after the machine is put into operation, whichever occurs first.
5. If the defect was caused by the customer or a third party, AS Carpi will not be liable for warranty claims. In particular, this is presumed in the following cases:
 - Customer's design requests if the inadequacy of the request was not apparent to AS Carpi or if the customer rejected AS Carpi's objections;
 - Defective materials or other components supplied by the customer;
 - Improper use, faulty installation or commissioning, ordinary wear and tear, defective or negligent handling or maintenance, use of unsuitable equipment, or the existence of harmful environmental influences attributable to the customer or third parties.
6. If the delivered goods are defective, AS Carpi may choose to restore the situation by either eliminating the defects (repair) or delivering a defect-free item (replacement). AS Carpi is entitled to make its warranty intervention conditional upon the payment of the purchase price due by the customer. However, the customer may withhold a portion equal to 10% of the purchase price until the defect is eliminated. After consulting with AS Carpi, the customer must grant the necessary time and opportunities to carry out all repairs or replacements deemed necessary by AS Carpi; otherwise, AS Carpi will be relieved of liability for the resulting consequences. The customer has the right to remove the defect or have it removed by third parties and claim reimbursement from AS Carpi for the expenses incurred only in cases of extreme urgency where operational safety is compromised or to avoid disproportionate damage, in which case AS Carpi must be informed immediately.
7. The place of performance for defect repair is the original delivery location, unless performance at another location is in line with the intended use. The customer will be charged for any additional costs incurred if performance must take place in a location with limited access (e.g., offshore platform, restricted area, polar or high alpine region). In the event of replacement, the customer must return the defective goods to the place of performance.
8. If AS Carpi fails to eliminate the defect despite two attempts or within 30 days, the customer may, pursuant to Article 1492 of the Italian Civil Code, choose to request the contract's termination or a price reduction, except in cases where the defect is so minor that termination is excluded by customary practice. Termination is excluded if the defect is of minor importance.

Defects of Title

9. If the use of the delivered item leads to a violation of industrial property rights or copyright under Italian law, AS Carpi will, at its own expense, obtain the right of use for the customer or modify the delivered item so that it no longer violates industrial property rights. The customer has the right to withdraw from the contract if this is not possible under economically reasonable conditions for the customer or within a reasonable time. Under the conditions mentioned, AS Carpi is also entitled to withdraw from the contract. AS Carpi will also indemnify the

customer against any claims by holders of the industrial property rights involved that are contested or recognized by a final judgment.

10. The obligations of AS Carpi specified in section VI (9), regarding violations of industrial property rights or copyrights, are final, subject to the provisions of section VII (2), and will only apply if:
 - The customer promptly informs AS Carpi of any claims of industrial property rights or copyright violations;
 - The customer provides a reasonable degree of support to AS Carpi in defending the asserted claims and/or allows AS Carpi to take the modification measures mentioned in section VI (9);
 - AS Carpi retains the right to take all necessary measures to protect its rights, including out-of-court settlements;
 - The delivered item was not produced or modified according to the customer's instructions;
 - The violation of rights was not caused by the customer, who modified the delivered item without authorization or used it in a manner inconsistent with the contract.

VII. Liability

1. The provisions of sections VI and VII (2) apply, excluding any further claims made by the customer, if due to AS Carpi's responsibility, the customer is unable to use the delivered item as provided in the contract due to failure to request or transmit essential information before or after the contract's conclusion, or the violation of other accessory contractual obligations, in particular instructions for the use and maintenance of the delivered product.
2. In case of third-party damages, AS Carpi will only be liable:
 - In cases of intent;
 - In cases of gross negligence;
 - In cases of negligent injury to life, body, or health;
 - In cases of defects concealed with intent or whose absence was guaranteed;
 - As part of a warranty promise;
 - In cases of defects in the delivered item where liability arises under the Product Liability Act for personal injury or damage to private property.
3. The customer may withdraw or terminate the contract only in case of non-performance, not consisting of a mere defect in the goods, if AS Carpi is responsible for breaching its contractual obligations. The customer does not have any right to independent termination (particularly under Article 1492 of the Italian Civil Code). Any notice of withdrawal or termination must be in writing. For anything not explicitly provided for, the provisions of Italian law in force shall apply.
4. Further claims are excluded.

VIII. Time Limit

1. The reciprocal claims of the contracting parties are time-barred according to the times provided by law, unless otherwise specified below.
2. Pursuant to Article 1495 of the Italian Civil Code, the limitation period for claims based on defects is 18 months from delivery or 12 months from the machine's commissioning, whichever comes first, unless the defect has been concealed with intent. However, the customer loses the right to the warranty if defects are not reported to AS Carpi within eight days of discovery unless a different deadline is agreed upon by the parties or by law. If formal acceptance has occurred, the limitation period begins with formal acceptance.

IX. Use of Software

To the extent that the supply includes software, the customer is granted a non-transferable, non-exclusive right to use the provided software, including its documentation. It is intended solely for use on the delivered item for which it is designed. The software cannot be used on more than one system or by third parties without a license to use the software, nor can the provided software be distributed to third parties.

The customer may reproduce, review, translate, or convert the software from object code to source code only to the extent permitted by law. The customer agrees not to remove copyright information or modify it without AS Carpi's prior written consent.

All other rights to the software and documentation, including copies, remain with AS Carpi and/or the software provider. The granting of sublicenses is not permitted.

X. Force Majeure, Excessive Burden/Impossibility, Execution Reserves

1. In case of force majeure affecting AS Carpi or its suppliers, AS Carpi's obligation to make deliveries and provide services is suspended for the duration of the disruption and a reasonable recovery period. The same applies to shortages of energy or raw materials, general strikes by the competent trade associations, including general

- strikes in the transportation sector, and orders from the competent authorities.
2. If there is a significant change in the circumstances existing at the time of contract conclusion, and it is no longer reasonable to expect AS Carpi to fulfill the contract, AS Carpi is entitled to terminate the contract pursuant to Articles 1461, 1463, and 1467 of the Italian Civil Code.
 3. AS Carpi's performance of the contract is subject to the condition that such performance does not violate the provisions of national and international foreign trade laws, sanctions, or embargoes.

XI. No Re-Export to Russia

1. The customer must not sell, export, or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation, any goods supplied under or in connection with the contract that fall within the scope of Article 12g of Council Regulation (EU) No 833/2014.
2. The customer agrees to take all reasonable measures to ensure that the purpose of paragraph (1) is not frustrated by third parties down the commercial chain, including resellers.
3. The customer must implement and maintain an appropriate monitoring mechanism to detect behavior by third parties down the commercial chain, including resellers, that could frustrate the purpose of paragraph (1).
4. Any violation of paragraphs (1), (2), or (3) will constitute a material breach of an essential element of the contract, and AS Carpi will be entitled to seek appropriate remedies, including but not limited to: (i) termination of this Agreement; and (ii) a penalty of 5% of the total value of the contract or the price of the goods exported, whichever is higher.
5. The customer must immediately inform AS Carpi of any problems in applying paragraphs (1), (2), or (3), including any relevant activities by third parties that could frustrate the purpose of paragraph (1). The customer must provide AS Carpi with information concerning compliance with the obligations under paragraphs (1), (2), and (3) within two weeks of a simple request for such information.

XII. Applicable Law, Jurisdiction

All legal relationships between AS Carpi and the customer are governed exclusively by Italian law applicable to legal relationships between national parties, excluding the United Nations Convention on Contracts for the International Sale of Goods. By way of exception, the prerequisites and effects of the retention of title under section V are subject to the law at the respective place of storage and installation of the item, if the choice of Italian law is inadmissible or ineffective.

For individuals referred to in section I.1, to the extent that the customer has its registered office in the EU, exclusive jurisdiction—including international jurisdiction—will lie with the Italian court. For all disputes arising from and in connection with the contractual relationship with AS Carpi, the exclusive jurisdiction will lie with the Court of Modena. AS Carpi also has the right to bring action in any court having general jurisdiction over the customer. If the customer has its registered office outside the EU, all disputes shall be finally resolved in accordance with the ICC Arbitration Rules, excluding the recourse to ordinary courts of any jurisdiction and competence. The place of arbitration will be the ICC International Chamber of Commerce in Milan. The arbitration will be conducted in Italian. The attachments to the pleadings may also be submitted in English without the need for translation.

Special Provisions for the Performance of Work:

If the customer has commissioned AS Carpi to assemble, install, or commission the goods sold and delivered by AS Carpi, the following provisions will apply as a supplement.

XIII. Subcontractors

AS Carpi is entitled to use subcontractors for installation services.

XIV. Customer's Duty to Cooperate

1. The customer must complete all necessary earthworks, construction work, and other ancillary work outside the scope of AS Carpi's industry, bearing such works at their own expense, paid in advance of AS Carpi's work commencement. Additionally, the customer agrees to provide expert support staff, materials, and tools appropriate to the nature of the work to be performed, raw materials, and consumables necessary for installation and commissioning, such as scaffolding, lifting equipment, and other devices, fuel and lubricants, as well as energy and water connections at the place of use, heating, and lighting by the delivery and installation deadline.
2. The customer guarantees the storage of materials necessary for assembly or installation at the installation site, such as machine parts, equipment, and tools. The customer is obligated to provide suitable premises, particularly large, dry, and locked storage areas, as well as decent work and break/rest areas for the installation personnel. It will be the customer's obligation to provide clothing and protective devices necessary due to specific conditions encountered at the installation site.
3. Before installation work begins, the customer is obligated to provide AS Carpi with the necessary information

regarding the location of underground electrical, telecommunications, gas, and water lines, or other particularly delicate equipment and load-bearing capacity, without having to wait for any formal request from AS Carpi.

4. If assembly, installation, or formal acceptance is delayed due to circumstances not attributable to AS Carpi, the customer will bear the additional costs arising from the delays, equal to 1% of the invoice amount for each month of delay or the greater documented sum corresponding to the expenses incurred and damages suffered by AS Carpi as a result of the delay.

XV. Custom Products

1. AS Carpi machines are regularly adapted to customer needs and are therefore substantially custom products. If custom products are manufactured to the customer's order, the customer has the right to withdraw from the contract only if there is just cause attributable to AS Carpi's responsibility.
2. In the event of non-acceptance of the goods made according to the customer's specifications, AS Carpi will have the right to dispose of the items at the customer's expense after the expiration of a reasonable withdrawal period communicated to the customer in writing, without prejudice to the customer's payment obligations for the production of the goods.

XVI. Formal Acceptance

1. If, after completion—and possibly before the agreed deadline—AS Carpi requests that the performance be accepted, the customer must proceed within 12 working days unless otherwise agreed. Upon request, independent performance segments must be accepted separately. Acceptance may only be refused if material defects have not been eliminated. If the above deadline expires without any defect claims from the customer, the goods will be deemed accepted.
2. If no formal acceptance is requested, the performance will be deemed accepted 30 working days after written notice of completion. If no formal acceptance is requested and the customer has begun using the performance or part of it, the goods will be deemed accepted after six working days from the start of use unless otherwise agreed.
3. Upon formal acceptance, responsibility is transferred to the customer, to the extent that it has not already been transferred to the customer under Section III.