

GENERAL SALES CONDITIONS

1) **ORDER CONFIRMATION AND ACCEPTANCE** – The sale of our products is governed exclusively by these general conditions; any changes, amendments, exceptions and/or cancellations must be agreed upon exclusively in writing and be expressly accepted by CARCO - PRECISION RUBBER PRODUCTS S.P.A.. In particular, if any cancellation requests are received by CARCO - PRECISION RUBBER PRODUCTS S.P.A. once production has already started, the seller reserves the right to refuse or accept them subject to partial payment of the supply according to the progress in production. Particular conditions (quantity, price, payment methods, etc.) of the individual orders will be those indicated in the individual offers sent by CARCO - PRECISION RUBBER PRODUCTS S.P.A.; the orders will only be accepted if they comply with the offers and the sales contract is intended to be finalized on the basis of the order confirmation sent by the seller.

Any changes and / or additions contained in the orders, with respect to the offers, will constitute a new proposal that will be subject to the discretionary wish of acceptance by the seller, as it will be highlighted in the order confirmation of Carco - Precision Rubber Products S.P.A.

These general sales conditions are shown on the back of each offer and order confirmation sent by CARCO - PRECISION RUBBER PRODUCTS S.P.A. and constitute an integral and essential part of the same; likewise, they are posted on the seller's website (www.carcopr.com); the order in compliance with the offer made by CARCO - PRECISION RUBBER PRODUCTS S.P.A., assumes, even in the event of not being signed, acknowledgement and acceptance of these general conditions.

Furthermore, these general sales conditions prevail over any other condition or agreement indicated by the customer and replace any previous written or oral agreement.

2) **MOLDS AND EQUIPMENT** – At its discretion, in addition to the sale price, CARCO - PRECISION RUBBER PRODUCTS S.P.A. may apply a contribution for product development and/or the construction of mould or tool made on behalf of the customer. Such molds and / or tools will in any case remain the exclusive property of CARCO - PRECISION RUBBER PRODUCTS S.P.A., unless any specific written agreements in derogation to be evaluated case by case. Any molds/tools not used for a period of four consecutive years will be considered obsolete and may be destroyed and/or destined for other uses by CARCO - PRECISION RUBBER PRODUCTS S.P.A..

3) **SAFEGUARDING OF KNOW-HOW – DRAWINGS – TECHNICAL DOCUMENTS** – The customer decisively undertakes to keep absolutely confidential and not to disclose any technical or commercial information or any other data of which he becomes aware during the contractual relationship, without prejudice to the rights of the seller to compensation for damages in case of violation by the customer. In the same way, all technical and commercial documents, drawings and designs that CARCO - PRECISION RUBBER PRODUCTS S.P.A. should exchange with the customer in the execution of the contract will be subject to the same confidentiality clause.

In the event that any information and/or technical or commercial data disclosed by the customer is found to be in violation of the industrial property right or of the know-how or trademarks and/or patents of third parties, CARCO - PRECISION RUBBER PRODUCTS S.P.A. can not in any way be held liable for said violation. And, in the event that the seller is involved in any dispute and/or legal actions by third parties for violations of trademarks, patents, know-how or other industrial secrets resulting from information and/or documents received by the customer, the latter undertakes to indemnify and hold harmless CARCO - PRECISION RUBBER PRODUCTS S.P.A. from any economic request for compensation and from any direct and/or indirect cost.

4) **DELIVERY AND TRANSPORTATION** – CARCO - PRECISION RUBBER PRODUCTS S.P.A. undertakes to comply with the delivery times indicated in the order confirmation, which, in any case are never considered as essential, but are purely indicative.

In the event of a written agreement stating an essential deadline for delivery, CARCO - PRECISION RUBBER PRODUCTS S.P.A. is not responsible for any delays in delivery due to force majeure and/or fortuitous and extraordinary events (e.g. accidents, strikes, transport interruptions or delays, natural disasters, difficulty in finding raw materials, breakdowns in production plants, etc.). Transportation of the goods is always at the expense and total risk of the customer, regardless of the methods chosen for transportation and for payment; even in the event that, as a mere act of courtesy, CARCO - PRECISION RUBBER PRODUCTS S.P.A. should directly organize transportation on behalf of the customer, the associated risks will be borne by the customer, with the express exemption of any liability by CARCO - PRECISION RUBBER PRODUCTS S.P.A. for damages from transportation, unless otherwise agreed in writing.

5) **PAYMENT TERMS AND CONDITIONS AND OVERDUE PAYMENTS** – Prices and payment terms and conditions are those shown in the order confirmations issued by CARCO - PRECISION RUBBER PRODUCTS S.P.A. and, if issued by representatives and/or distributors, they are only binding following confirmation and acceptance by the seller, as resulting from the order confirmation.

Failure or delay in payment of the due price by the deadlines agreed in the order confirmation, will entitle CARCO - PRECISION RUBBER PRODUCTS S.P.A. to claim overdue interest on the amounts due and unpaid at the rate determined in accordance to Legislative Decree no. 231 of 9 October, 2002, starting from expiry date of the agreed term.

In the event of failure to pay even a single instalment of the price at the agreed deadline, the customer will forfeit the benefit of the deferred payment and will be required to pay the full price both for orders already executed and for those in the course of delivery. Furthermore, CARCO - PRECISION RUBBER PRODUCTS S.P.A. may invoke articles 1460 and 1461 of the Italian civil code and suspend any deliveries in progress relating to one or more orders already confirmed by the seller if the delay in payment results in a lack of trust regarding fulfilment by the customer; in this case, at the discretion of the seller, also remain valid the right to terminate the sales contract in accordance with article 1456 of the Italian civil code.

Furthermore, in the event of default in payments by the customer, CARCO - PRECISION RUBBER PRODUCTS S.P.A. also reserves the discretionary right to

modify the payment terms and conditions already agreed and accepted between the parties relating to one or more orders already confirmed by the seller.

6) **WITHDRAWAL** – CARCO - PRECISION RUBBER PRODUCTS S.P.A. may withdraw from the sales contract at any time and interrupt the deliveries of goods, without any penalty and/or indemnity, or any obligation to reimburse the advances already received, in the event of: existence of disputes, initiation of admonitory, ordinary and/or insolvency proceedings or even out-of-court proceedings against the customer, as well as in the event of serious and repeated delays in payments.

7) **QUALITY OF THE GOODS** – All CARCO - PRECISION RUBBER PRODUCTS S.P.A. products are subject to quality control plans along the entire manufacturing process in accordance with internal procedures; any requests for conformity certificates and/or test certificates on a supply must be expressly indicated in advance in the order.

Any tolerances and/or product variations may derive from the nature of the same and are acknowledged by the industrial practices in use in the sector, for which the seller may not be held liable.

CARCO - PRECISION RUBBER PRODUCTS S.P.A. reserves the right to make changes to its products without prior notification.

8) **LIABILITY FOR FAULTS AND/OR DEFECTS IN THE PRODUCTS** – Given that the application and installation of gaskets is subject to numerous variables (destination of the product, compatibility with the destination system/machine, conditions of custody and storage by the customer, etc.) which are beyond the seller's control and on which it has no power to intervene, CARCO - PRECISION RUBBER PRODUCTS S.P.A. may not be held liable without limitation for any faults or defects of the products sold.

In particular:

a) CARCO - PRECISION RUBBER PRODUCTS S.P.A., in using quality raw materials, cannot be held liable for any faults and/or defects in the raw material used for its products;

b) CARCO - PRECISION RUBBER PRODUCTS S.P.A. assumes no responsibility in regard to the final destination of the product, for which the customer acts and chooses in full autonomy and awareness, or rather the seller may not be held liable for the suitability or otherwise of the product with respect to the so-called "operating conditions". The customer holds the sole responsibility for the choice and validation of the product under the operating conditions;

c) CARCO - PRECISION RUBBER PRODUCTS S.P.A. cannot be held liable for any faults and/or defects of the product resulting from abnormal deterioration, negligence in the custody by the customer, incorrect application and/or installation methods, replacements and/or maintenance work performed by third parties, for chemical, mechanical and/or electrical causes unrelated to the product as sold.

9) **GUARANTEE** – Apart from cases of exclusion of any liability as referred to point 8) above, CARCO - PRECISION RUBBER PRODUCTS S.P.A. is liable for any faults and/or defects in the products sold, merely replacing them at no additional cost or, at the seller's discretion, refunding the price paid upon return of the goods.

This guarantee operates on condition that:

a) the customer reports in writing, within the peremptory term of 8 days from delivery, the faults and / or defects of the products if evident and / or obvious;

b) the customer denounces in writing, within the peremptory term of 30 days from discovery the faults and/or defects that are hidden or in any case become evident after their use and in any case no later than one year from delivery;

c) the customer has provided suitable and sufficient "technical specifications", with respect to which the product is compliant, regardless of the final application of the product;

d) the customer has used the product according to the correct indications and technical methods specified.

In the event of a dispute regarding the existence of a fault and/or defect reported by the customer, this warranty is void if the customer has not kept the faulty and/or defective product for at least 90 days from the compliant for a cross check between the parties, or if, within one year from the delivery date the customer has not set up a suitable preventive investigation procedure pursuant to art. 696 of the Italian Code of Civil Procedure.

In any case, CARCO - PRECISION RUBBER PRODUCTS S.P.A. is not liable for any indirect or consequential damages such as: loss of earnings, production stops or decreases, damage to image, lost revenues or loss of market share.

10) **REGULATORY RULES** – This sales contract is governed by the general conditions listed herein and, for anything not expressly established herein, by the sales regulations set forth in the Italian Civil Code (art. 1470 and following).

11) **PROCESSING OF PERSONAL DATA** – The customer authorizes CARCO - PRECISION RUBBER PRODUCTS S.P.A. (*) to the processing, communication and circulation of personal data for all contractual and legal requirements and obligations, as well as to allow a more effective management of contractual - commercial relations including technical / advertising updates. The data may be processed in written form, on paper, magnetic, electronic or telematic supports. In any case, please refer to the information (prepared pursuant to EU Regulation n.679 / 2016 and Legislative Decree 196/2003, as amended by Legislative Decree n.101 / 2018) available on the website www.carcopr.com.

12) **JURISDICTION** - For any dispute regarding the interpretation and / or execution of the sales contract, the parties expressly determine and accept the exclusive jurisdiction of the Court of Milan. This sales contract is also governed exclusively by Italian law. This sales contract is likewise exclusively governed by Italian Law.

(*) The holder of the treatment of personal data is CARCO - PRECISION RUBBER PRODUCTS S.P.A., Via Conservatorio, 17 – 20122 Milan, in the person of its pro-tempore legal representative.