

GENERAL CONDITIONS OF SALE

1. General Provisions.

1.1 In addition to the terms and phrases defined elsewhere in these General Conditions of Sale (hereinafter also GSC), the terms and phrases listed below have the meaning conventionally attributed to them or referred to in this art. 1.1:

- "Seller": Aliauto Italia Srl (hereinafter "Aliauto"), with registered office in 41037 Mirandola (MO), Via Il Giugno n. 80, Italy;
- "Buyer": the person, natural or legal, to whom the Seller submits its offer and which is countersigned for acceptance;
- "Contract": the offer countersigned by the Buyer, including the General Conditions of Sale;
- "EX WORKS": the regulation of rights and obligations of Buyer and Seller (defined below) provided, with reference to the acronym of EXW, by the Incoterms® 2020 of the International Chamber of Commerce of Paris;
- "Parties": the Buyer and the Seller jointly;
- "Products": the Seller's products as resulting from the price lists and catalogs in force from year to year;

1.2 The terms and conditions indicated below form an integral and substantial part of each Contract concluded between the Seller and the Buyer for the sale, design and manufacturing of the Products and prevail over any conditions established by the Buyer, even in the event that the same should be cited and/or referred to in any document or communication exchanged between the parties, unless express written acceptance of the latter by the Seller. These GCS are reported on the website www.aliauto.it. The offer countersigned by the Buyer processed by the Seller presupposes, even in the absence of signature, knowledge and acceptance of these GCS.

These GCS, where not derogated by specific written agreement of the parties, are to be considered an integral and essential part of the offer or contract and are considered valid for any offer or for any signed contract and are also valid for future contractual relationships between Aliauto Italia S.r.l. and the Buyer, even if they are not explicitly agreed upon again

1.3 The Seller reserves the right to modify, integrate or vary the General Conditions of Sale, attaching such variations to the offers or to any written communication to the Buyer. Where the modifications, additions or variations to the General Conditions of Sale are not accepted by the Buyer within 15 days from the date of communication, the General Conditions of Sale previously accepted will apply.

2. Offer.

2.1 The offer presented to the Buyer by the Seller's agents, brokers or other intermediaries as well as by Aliauto itself will not bind the latter until it is re-transmitted to the Seller countersigned by the Buyer.

The offer countersigned by the Buyer constitutes a firm and irrevocable contract proposal and entails the simultaneous acceptance of these GCS. Aliauto will communicate its possible offer, also by fax or e-mail, indicating: 1) the offer number; 2) the date of the offer; 3) products with any identification code; 4) the price; 5) the indicative delivery terms; 6) the period of validity of the offer.

The Offer will become invalid in the event of written acceptance by the Buyer within the deadline indicated by Aliauto.

2.2 In the event of changes to the order at the request of the Buyer compared to what was originally agreed, it will be necessary for the Buyer to sign a separate additional order and confirmed for acceptance by the Seller. Any changes to the contract will be accepted by Aliauto Italia S.r.l. subject to evaluation of the state of progress of production. In the event that the requested changes involve changes in price and/or delivery terms, the Buyer must provide suitable written acceptance.

3. Technical Specifications.

Aliauto reserves the right to make, at any time, even after acceptance, changes to the specifications of the products, to comply with applicable laws and regulations, which in any case do not substantially modify the quality, performance or marketability of the Products.

Aliauto Italia Srl

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Unless otherwise agreed in writing, the contract does not include: the project, the installation of the material supplied, specific tests and any other performance unless expressly agreed upon at the time of signing the contract. Similarly, packaging costs, taxes, stamp duties, customs fees, duties and any other additional charges are not included in the prices unless expressly agreed upon at the time of signing the contract.

4. Prices.

4.1 The prices of the Products indicated in the current year-by-year price lists are EXW; as a result, any other charges or expenses relating to shipping, delivery and/or transport of the Products are the sole responsibility of the Buyer. The Seller reserves the right to modify the price lists at any time with thirty (30) days' notice. The provision necessary to meet any charges and expenses borne by the Buyer must, if necessary, be advanced by the latter to the Seller; by way of example but not limited to, these expenses and charges include the cost of additional packaging, the cost of transport, ancillary charges, taxes, stamp duty, customs charges and any other additional charge not included in the prices. Product prices may be subject to corrections due to printing errors.

4.2 The prices of the Products are net of legal VAT, which must be paid in accordance with what is indicated on the invoice; prices are also net of transport and installation costs and any value added tax or other applicable taxes, which will be borne by the Buyer.

4.3 If more than 90 days elapse between the date of the order and the date of delivery and at the same time there are increases in the costs of raw materials, energy, labour, fuel, fluctuations in foreign exchange rates, currency regulations, changes in customs duties, in production costs, transport costs, changes in supplier delivery terms, etc., the Seller may increase the agreed price by giving written notice to the Buyer, including by email.

However, if said price exceeds the price agreed upon at the time of the order by 8%, the Buyer may withdraw from the contract by notifying his/her intention by registered mail within the peremptory deadline of 5 days from receipt of the price increase notice. Otherwise, the new price will be considered accepted.

4.4 In addition to the other remedies provided by law and/or by the Contract, the Seller applies late payment interest on late payments in compliance with the provisions of Legislative Decree no. 231 of 2002.

5. Payment Terms.

5.1 The Buyer is required to pay the price within the deadline agreed in the Offer, which is considered essential.

5.2 Unless otherwise agreed, payments can be made exclusively by bank transfer or bank receipt; bank checks or commercial bills will not be considered as fulfillment of the payment obligation.

The parties may agree that the Buyer is required to deliver a letter of credit or other guarantee. In this case the letter of credit and/or the guarantee must be issued by a leading Italian or European bank in compliance with the applicable legislation and the standard text delivered by Aliauto; the costs of making the payment will be borne by the Buyer, unless otherwise agreed in writing. Any delay or irregularity in payment will give Aliauto the right to suspend supplies and/or terminate contracts and/or cancel orders in progress, even if not relating to disputed payments, without prejudice to the right to request compensation for any further damage.

5.3 In case of non-payment within the deadline indicated in the offer and accepted by the Buyer, the Buyer shall be deemed to be in default for all legal purposes and will be required to pay the default interest as indicated above in the art. 4.4.

5.4 If an extension of payment in successive installments or multiple invoices with successive deadlines is agreed for each invoice, failure to pay even just one of the deadlines will result in Aliauto's right to suspend supplies still in progress, as well as the automatic forfeiture of the Buyer from the benefit of the term granted, with the consequent obligation of the latter to provide immediate full payment for the products ordered.



5.5 Any disputes that may arise between the parties do not exempt the Buyer from the obligation to observe the conditions and terms of payment nor do they authorize the latter to suspend and/or delay payment.

5.6 In case of failure to pay on time, the Seller has the right to terminate the contract with immediate effect, pursuant to art. 1456 of the Civil Code, giving notice by registered letter with return receipt or email to the Buyer.

6. Delivery Terms - Delays - Packaging.

6.1 Unless otherwise agreed in writing between the parties, any sale is intended to be made EXW (Incoterms® 2020) at the Aliauto Italia S.r.l. factory. Via Il Giugno, 80 41037 Mirandola (MO), indicated in the Offer.

6.2 All delivery and return times of the Products - even if defined as mandatory - are nevertheless intended as indicative, counted in working days, and assumed with any tolerance of use. The delivery term - however indicative - is solely and exclusively that indicated by the Seller.

6.3 If the Buyer refuses delivery, he will in any case have to pay for the products ordered. The Seller is not responsible for any loss or damage to the products after delivery; in no case is the Buyer exempted from the obligation to pay the price of the Products once Delivery has taken place.

6.4 Failure or delayed fulfillment of a partial delivery does not lead to non-fulfilment of the obligation of the main delivery and will have no effect on other partial deliveries. If requested by the Buyer, Aliauto will insure the Products upon payment of the relevant costs by the Buyer. The Seller will package the Products according to its commercial practice. Particular packaging or delivery instructions requested by the Buyer must be agreed in writing by the parties and the related costs will be invoiced separately to the Buyer.

6.5 If the Delivery does not take place due to a fact attributable to the Buyer, it is considered carried out, for all purposes (including the starting date of the payment terms and the issuing of the invoice), with simple communication to the Buyer of making the Products available; 15 days after the communication, warehouse costs will begin to apply and the Seller is exempt from any liability for the loss, damage or, in any case, loss of value of the Products.

6.6 With the delivery of the materials to the Buyer or to the carrier, the Seller is freed from the delivery obligation and all risks of perish and/or destruction of the products pass to the Buyer, even if the Seller is responsible for organizing the shipping.

6.7 Unless otherwise agreed by the parties, the delivery terms begin to run from the moment established in the stipulation of the contract, unless the Buyer must pay part of the price as a deposit, because in this case the starting date of the terms is suspended until he has done so.

6.7 The delivery terms are considered appropriately extended by right if: i) the Buyer does not provide the data or materials necessary for the supply in good time, ii) the Buyer requests variations during execution or, again, delays in responding to the request for approval of the drawings or executive schemes; iii) causes beyond the Seller's good will and diligence (including delays by subcontractors) prevent or make delivery within the established terms excessively burdensome.

6.8 In the event that the Buyer is not up to date with payments relating to other supplies, the effective date of the terms is suspended and deliveries may be delayed until the Buyer has paid the sums due.

The delivery terms are intended to be established in favor of the Seller, therefore, the Buyer cannot refuse to take delivery of the products before the established date.

7. Retention of title.

7.1 The Seller retains ownership of the Products until full payment of the agreed price.

For this reason, the Buyer undertakes to: i) make good use of them, according to their intended purpose; ii) not to transfer ownership and enjoyment thereof to third parties, unless expressly and previously authorized to do so by the Seller.

7.2 In the event of failure to pay in full or even partially for the supplies by the Buyer, by the scheduled date, the Seller may regain possession of the delivered products at his simple request. Without prejudice



to the above, the Buyer is responsible for any damage and loss occurring after delivery even if due to fortuitous circumstances, force majeure or other events not attributable to the Buyer.

8. Guarantees and Exclusion of Liability.

The Seller guarantees that the Products are free from faults and defects that make them unsuitable for the use for which they are intended for a period of 12 months from delivery, provided that they have been promptly notified within the terms indicated in this article; for products or components replaced from the day of replacement, except for commercial material not produced by the Seller for which the manufacturers' conditions apply.

The Buyer is required to examine the products upon delivery. Any grievance or complaint concerning the possible existence of apparent defects in the products must be made to the Seller in writing, by registered letter with return receipt or email info@aliauto.it under penalty of forfeiture, within 8 days from the time of delivery. To this end, the Buyer must indicate in detail in the Transport Documents any defect or damage and/or any discrepancy between the Products delivered and the Products indicated in the Transport Documents. In the absence of such notification at the time of delivery or in the case of general complaints, the Products will be considered accepted and the Seller will be free from any liability. Any complaints for hidden defects must be made in writing, by registered letter with return receipt or email info@aliauto.it, and contain a detailed indication of the type of flaw or defect found and in any case must reach the Seller under penalty of forfeiture, no later than eight (8) days from discovery.

The products are manufactured in compliance with the regulations in force in Italy and the European Union; any specific requirement must be previously agreed in writing between the parties and the Buyer assumes the entire risk of any discrepancy between the Italian regulations and those of the country of destination of the supply, holding the Seller harmless.

Without prejudice to compliance with the terms indicated above, Aliauto guarantees the conformity of the products supplied, meaning that they correspond in quality, quantity and performance to what is established in the contract. Within the validity period of the warranty, subject to authorization from Aliauto, in the event of a defect and/or defect in the product, the Buyer must return the non-functioning products. The Seller may, at its sole discretion, decide to replace or repair the products and will not be liable for any reason for damages of any nature suffered by the Buyer and in any case without any further obligation to compensate for direct and/or indirect and/or consequential damage resulting to the Buyer and/or third parties from defects in the Products (e.g. compensation for damages, loss of earnings, recall campaigns, etc.), without prejudice to mandatory provisions of the law. In any case, the Parties recognize that the overall liability of the Seller towards the Buyer is limited to the price paid by the Buyer for the Products which gave rise to the Seller's liability.

The Buyer may not raise any objections in order to avoid or delay the fulfillment of its obligations.

It is understood that this guarantee does not apply in the event that there has been any intervention on the product by the Buyer or by any third parties not authorized by Aliauto.

Nothing will be recognized by the Seller for any direct damage to the Buyer's systems or finished product. This guarantee operates exclusively on condition that: 1) the customer reports in writing and within the peremptory deadlines agreed upon above; 2) the customer has provided suitable and sufficient "technical specifications" with which the product does not conform, meaning the final application of the product is irrelevant; 3) the customer has used the product according to the correct indications and technical methods.

It is understood that the aforementioned guarantee absorbs and replaces the guarantees or liabilities provided for by law, and excludes any other liability of the Seller (both contractual and non-contractual) however originating from the Products supplied.

In any case, the Seller is not held responsible for any faults and defects in the products sold; in particular: 1) in using quality raw materials, the Seller cannot be held responsible for any faults or defects in the raw materials used for its products; 2) the Seller does not assume any responsibility regarding the final destination of the product, for which the customer acts and chooses in full autonomy and awareness, i.e. it does not consider itself responsible for the suitability or otherwise of the product with respect to the so-



called "operating conditions", for which the customer is solely responsible; 3) the Seller is not responsible for any faults and/or defects of the product resulting from anomalous deterioration, negligence in custody by the customer, incorrect application and/or installation operations, replacements and/or maintenance carried out by third parties, due to physical causes and/or chemical and/or mechanical and/or electrical unrelated to the product as sold.

Unless otherwise agreed in writing, no guarantee is issued by Aliauto regarding the suitability of the products for the pursuit of sales objectives or the achievement of the results that the Buyer intends to obtain through the use or sale of the products or regarding the suitability of the products to achieve any purpose or objective. The Seller is responsible for damage to people or things caused by the products sold, only in the case of proven negligence in their manufacturing.

Without prejudice to the foregoing, the Buyer will indemnify the Seller in all third party actions based on liability arising from the products sold and undertakes to compensate the damages suffered by the Seller resulting from the related claims.

9. Supplier Responsibilities.

The Seller is exclusively responsible for the correct functioning of the products supplied in relation to the characteristics and performances indicated by him.

Aliauto does not assume responsibility for individual products assembled or connected according to diagrams or drawings suggested by Aliauto itself, unless such diagrams or drawings have been the subject of a proposal in the offer, in which case the Seller's responsibility will in any case be limited to what is included in the aforementioned drawings or diagrams. In any case, outside of the hypotheses regulated by Presidential Decree 24/5/1988 n. 224 and except as provided for in article 1229 of the Civil Code, the Buyer will not be able to request compensation for indirect damages, lost profits or production losses nor will he be able to claim sums higher than the value of the products supplied by way of compensation.

10. Testing and Assembly.

The final testing and delivery activities will be carried out at the Aliauto headquarters or as otherwise specified in the offer. Any special tests provided for in the contract will be carried out at the Buyer's expense in the factory indicated by the Seller.

Assembly, testing and on-site assistance, if provided for in the contract, will be carried out by Aliauto at the Buyer's expense according to the conditions agreed with a separate quotation.

11. Force majeure.

The Seller will not be held liable for damages resulting from the violation of any provision of this Agreement, or from delay or failure to perform, in whole or in part, the obligations set out in this Agreement, in the event that and to the extent that such delay or failure is attributable to circumstances beyond the Party's reasonable control. Such events include – but are not limited to – natural disasters, measures taken by public authorities, fires, earthquakes, floods or other natural disasters, epidemics, pandemics, embargoes, insurrections, riots and other civil disturbances, wars, legal or governmental provisions, strikes, shortage of necessary supplies and/or lack of availability of means of transport or other contingencies, shortages and/or difficulties in the supply of raw materials, beyond the control of the Party involved.

The force majeure event will result in the suspension of the execution of the contract for the period of time in which the effects of the force majeure event remain with consequent automatic extension of the deadlines for the fulfillment of the obligations.

The Seller will do everything possible to minimize the consequences of such delay in compliance with the principles of good faith and contractual correctness.

Upon the occurrence of the force majeure event, the Seller will inform immediately in writing, in any case no later than 30 (thirty) days from its onset. The communication will contain a precise description of the force majeure event and the reasons motivating the delay or inability to perform the contractual obligations.



If a force majeure event lasts for more than 3 (three) months, the Seller will have the right to terminate this Contract by giving at least 30 (thirty) days' notice by registered letter with acknowledgment of receipt or email.

In this case, the relevant consequences and the appropriate restitution of the respective contractual services will be negotiated, in good faith, taking into account the stage at which the execution of this agreement had reached at the time of its termination.

Any sums paid as a deposit/advance payment will be retained by Aliauto Italia S.r.l. which, in any case, will not be obliged to pay compensation for damages towards the Buyer for any direct or indirect damages connected to or deriving from the delayed or failed execution of the contract.

12. Confidentiality.

Any drawing or technical document, which allows the manufacturing of the products sold or their parts returned to the Buyer, remains the exclusive property of Aliauto Italia S.r.l. and cannot be copied, reproduced or transmitted to third parties without the prior written consent of Aliauto Italia S.r.l. which also remains the exclusive owner of any industrial or intellectual property rights relating to the goods. Any technology and/or production and commercial information of the parties (including technical measures, designs and information) whether or not patented, must be treated as essentially confidential and will not be used or disclosed without prior written authorization.

13. Code of ethics.

The Buyer complies with the provisions of all applicable laws, regulations, directives of any national or international authority, government body or other institution regarding corrupt practices and offenses (the "Applicable Law"), including laws regarding illicit payments, offers, promises of money or any other benefit in favor of public officials or public service providers for the performance of their functions or powers.

The Buyer undertakes for itself and its officers, directors, workers, collaborators or consultants, so that no action is taken, directly or indirectly, in the execution of any contract that may constitute illicit as provided by any Applicable Law and in particular, the Purchaser undertakes for himself and for his officials, directors, workers, collaborators or consultants that the following will not be offered, given or authorised: a) any donation or payment or gift or any other benefit to public officials or those in charge of a public service, employees or agents of any authority, government body, and any other national and international institution; b) any contribution, of any nature, to anyone who is a candidate for a public office.

The Buyer undertakes to know the Seller's Code of Ethics (the "Code of Ethics") which can be consulted on the following website www.aliauto.it.

The Seller undertakes to place orders in accordance with the provisions of these General Conditions of Sale and in compliance with the Code of Ethics.

14. Express Termination Clause and Termination Condition.

The Seller has the right to terminate each Contract with the Buyer, with immediate effect, pursuant to art. 1456 of the Civil Code, by means of a communication sent by registered mail with which he declares to make use of this express termination clause, in the following cases:

- a) if the Buyer does not fulfill the obligations set out in the articles. 5.6, 6.8, 7.2, 13, 14 of these General Conditions of Sale;
- b) if the Buyer is responsible for a serious breach of contract.

The Seller has the right to withdraw with immediate effect from each Contract by means of a communication sent by registered mail to the Buyer, with which he declares that he wishes to make use of this clause:

- a) in the event that the patrimonial, economic and financial conditions of the Buyer are such as to reasonably presume the Buyer's state of crisis;
- b) the shares and/or the share representing the majority or control of the Buyer's share capital, where established in corporate form, are directly or indirectly sold, sold or tied up as collateral.



15. Return of products.

Each return must be previously agreed, approved and authorized by the Seller and only after receiving written approval, the Buyer will be able to issue a regular return transport document.

The value of goods returned for reasons beyond Aliauto's control will be devalued to the extent of: 10% for returns made within 30 days of the delivery date and 20% for returns made within 60 days of the delivery date. Materials specially constructed to the Buyer's order cannot be returned. The returned goods must not show tampering, otherwise the return, if accepted, will suffer a devaluation appropriate to the case. The exact details of the invoice or sales delivery note and the authorization obtained from Aliauto must be mentioned in the return delivery note.

All return shipments are EXW (Incoterms® 2020) at the Aliauto headquarters, with costs and risks borne by the Buyer.

Any return that does not comply with the above will be denied.

16. Applicable law - Competent court.

These General Conditions of Sale and each Contract stipulated by the Buyer with the Seller are governed by Italian law; for anything not provided for and/or regulated here, please refer to the provisions of the Civil Code.

Any dispute arising between the Parties regarding the interpretation, validity or execution of these General Conditions of Sale and each Contract falls under the exclusive jurisdiction of the Court of Modena.

Date_____

Buyer's stamp and signature _____

Pursuant to and for the purposes of art. 1341 et seq. d.c. the following articles are specifically approved:

2. Offer; 3. Technical specifications; 4. Prices; 5. Payment Terms; 6. Delivery terms; 7. Retention of title; 8. Guarantees and Exclusion of Liability; 9. Seller's Responsibilities; 11. Force majeure; 12. Confidentiality; 13. Code of Ethics; 14. Express termination clause; 16. Applicable law - Competent court.

Date_____

Buyer's stamp and signature _____