

# GENERAL TERMS AND CONDITIONS OF SALE

## Clause 1. Scope

**1.1** These General Terms and Conditions form an integral part of the contracts of sale of all products (hereinafter the "Products") of M3 Metal Meccanica Moderna S.r.l., with Tax code and VAT number 00458190345 and registered office in Strada della Pace 23, Sorbolo Mezzani (Parma, Italy), (hereinafter "M3") and apply without the need for any express reference to them. Any deviating conditions or terms shall only apply if accepted in writing by M3.

**1.2** These General Terms and Conditions are available on the website [m3srl.com](http://m3srl.com).

## Clause 2. Offers and Order Confirmations

**2.1** Offers, quotations and any other similar documents containing possible contractual terms and conditions of sale that may be transmitted by M3 shall not be deemed to be contractual proposals nor acts that are in any event capable of generating any obligation on the part of M3.

**2.2** Orders sent by the Purchaser shall contain the Products of its interest. Subsequently, M3 shall include in any Order Confirmation a summary of the Products ordered, the corresponding consideration, the terms of payment of the consideration, the delivery time and, if applicable, the delivery terms through reference to one of the Incoterms in their latest version (subject to the provisions of Clause 4 with regard to delivery time and delivery terms). An Order Confirmation constitutes a contractual proposal of sale and becomes a contract of sale (hereinafter also the "Contract") only upon receipt by M3 of the Order Confirmation signed at the bottom of all its parts (i.e.: for acceptance of the Order Confirmation, for acknowledgement and acceptance of these General Terms and Conditions, and for specific approval of certain clauses of the General Terms and Conditions), within 30 days after the Order Confirmation is sent to the Purchaser. In this case, the Contract shall be governed by these General Terms and Conditions.

If the Purchaser does not accept the Order Confirmation, in full compliance with the foregoing, within 30 days of its receipt, the Order Confirmation shall automatically cease to be valid and to constitute a contractual proposal.

## Clause 3. Prices and Payment Terms

**3.1** The consideration to be paid by the Purchaser under the Contract shall be the amount indicated in the Order Confirmation. Such amount is to be considered net of any other applicable taxes or charges, including customs duties.

**3.2** The terms of payment of the consideration are stated in the Order Confirmation.

**3.3** In the event that the Purchaser fails to make payment on the due date, M3 shall be entitled to obtain payment, in addition to the consideration, of default interest pursuant to Italian Legislative Decree 231/2002. Furthermore, in the event of failed, delayed and/or partial payment of the consideration, M3 may suspend the performance of the Contract and not deliver the Products and/or (even after suspension) terminate the Contract pursuant to Article 1456 of the Italian Civil Code. In the same cases and notwithstanding the suspension and/or termination of the Contract, M3 shall be entitled to demand from the Purchaser the payment of 20% of the consideration under the Contract, as a penalty pursuant to Article 1382 of the Italian Civil Code, without prejudice to any higher damages suffered.

## Clause 4. Delivery, Inspection and Acceptance of the Products

**4.1** The term for the delivery of the Products, as set out in the Contract, shall be determined by M3 on the basis of the technical time required for producing the Products and, in any case, such term shall not exceed 90 days with respect to the delivery time indicated in the Order Confirmation. Deliveries, unless otherwise provided for in the Order Confirmations, shall take place according to Ex Works - EXW Incoterms 2020.

**4.2** M3 shall not be liable in any manner whatsoever for delays in delivery resulting from force majeure or fortuitous event, including, but not limited to, conflicts, armed clashes, strikes, lockouts, government regulations, import and/or export blockades.

**4.3** In the event of any Purchaser's default which may affect the delivery time, including defaults under Clause 3.3, and/or defaults resulting from the inaccuracy of any data transmitted by the Purchaser, M3 shall inform the Purchaser of a new delivery time, in respect of which Clause 4.1 shall apply and M3 may require the Purchaser to pay 5% of the consideration under the Contract, pursuant to art. 1382 of the Italian Civil Code, without prejudice to any higher damages and costs.

**4.4** If, in case the delivery is determined to be Ex Works (Incoterms 2020), the Purchaser fails to collect the Products within 15 days of M3's notice that the Products are ready for delivery, the Purchaser shall pay to M3, as a penalty pursuant to Article 1382 of the Italian Civil Code and without prejudice to any higher damages, 1% of the consideration under the Contract (in which the delivery of such Products is set out) for each day of non-collection (exceeding the aforesaid 15 days). Should the failure to collect continue beyond 30 days (starting from the expiry of the aforementioned initial 15 days), M3 may terminate the contract pursuant to Article 1456 of the Italian Civil Code and demand, regardless of said termination, the payment of 40% of the consideration under the Contract (in which the delivery of such Products is set out), as a penalty pursuant to Article 1382 of the Italian Civil Code, without prejudice to any higher damages.

**4.5** Upon taking delivery of the Products, the Purchaser shall immediately check the quantity, packaging and conformity of the Products and record any discrepancies in the transport document. Notice of any defects must be given within 8 working days after delivery of the Products. The detailed notice of defects must be submitted in writing to M3 within the time limit above. Any communication made by telephone and/or by other means shall have no effect for the purposes of

the Contract. Any Product that has not been subject to complaints according to the procedures and instructions given above shall be considered unreservedly approved and accepted by the Purchaser.

#### **Clause 5. Warranty**

**5.1** The warranty for defects provided for in Articles 1490 ff. of the Italian Civil Code shall apply to the Products, with the specification that the limitation period of one year for the relative action shall run from the time of delivery of the Products indicated in the transport document. This warranty does not cover parts and components subject to wear and tear (e.g.: bottom, mixing propellers, rubbing parts, unloading trap, brush rings and blades) and electrical parts (e.g.: coil, solenoid valve, cable, switch).

**5.2** If the warranty is legitimately enforced by the Purchaser, M3 shall, at its own discretion, repair or replace the defective Products and/or parts. In addition, M3 may, at its sole discretion, let the Purchaser intervene in order to fix any defects, with the shipment, at the Purchaser's expense, of components and spare parts and the granting of a price reduction equal to the cost of the work necessary to fix such defects, which shall be settled on the basis of M3's time schedules. In both cases (whether in the event of repair/replacement by M3 or in the event of repair by the Purchaser), the Purchaser shall be satisfied and shall have no further claims arising from the defects and the corresponding warranty. These remedies are the only remedies available to the Purchaser under the warranty for defects. No compensation may ever be claimed from M3 for direct/indirect damages caused by or consequential to the sale of the Products, such as, but not limited to: interruptions and/or loss of production, lost or reduced income, financial costs.

**5.3** Before proceeding in accordance with one of the remedies under Clause 5.2. above, M3 shall be entitled to request the Purchaser to ship the Products and/or the affected parts, with delivery Ex Works at M3's site in Sorbolo Mezzani, in order to verify the reported defects.

**5.4** The warranty is excluded if the Products are used outside the declared performance and/or if they are used incorrectly and/or with negligence and/or if breakages and/or failures occur as a result of impact, installation, improper use and/or non-compliance with use and maintenance instructions. The warranty is also excluded in the event of any interventions or modifications by the Purchaser or persons not authorised by M3. In any case, the warranty for defects is excluded if the Purchaser fails to transmit to M3 the test certificate of the Products, which is contained in the maintenance booklet of the Products, filled out in its entirety, and/or if the Purchaser fails to comply with all maintenance requirements set out in the maintenance booklet.

#### **Clause 6. Liability**

**6.1** From the time of delivery of the Products, M3 is not liable for the use of the Products nor for any damage that may arise during the use and/or maintenance of the Products.

#### **Clause 7. Retention of Title**

**7.1** The Products remain the full property of M3 until the date on which the Purchaser has paid the full consideration for them and any other sum due to M3.

If, in the State in which the Purchaser is domiciled, administrative or legal formalities are necessary for the retention of title in favour of M3 to be valid, the Purchaser undertakes to cooperate with M3 and to take all necessary steps in order to obtain a valid right for M3 with regard to the retention of title.

#### **Clause 8. M3 Intellectual Property**

**8.1** The Purchaser expressly acknowledges that, unless otherwise agreed, the trademarks and other distinctive signs affixed to the Products are the exclusive property of M3 and may not be exploited, altered, modified, removed or deleted. Furthermore, the designs and patents relating to the Products are the property of M3 and the Purchaser undertakes not to exploit them in any way. Any use of M3's intellectual property by the Purchaser in breach of the above and/or, in any case, in violation of the law, unless expressly permitted by M3 in writing, shall entail the Purchaser's obligation to pay M3 a sum equal to 20% of the consideration under the Contract, pursuant to Article 1382 of the Italian Civil Code, without prejudice to any higher damages and without prejudice to M3's right to terminate the Contract with immediate effect pursuant to Article 1456 of the Italian Civil Code by sending written notice.

#### **Clause 9. Supervening Costs**

**9.1** In case of events occurring after the conclusion of the Contract which lead to price increases of at least 10% of even only one of the following production factors: raw materials and/or components and/or energy and/or semi-finished products and/or unit labour costs and/or logistics and/or transport necessary for the performance of the Contract, M3 shall be entitled to request the Purchaser to renegotiate the Contract. If the parties do not reach an agreement within 30 days of the above-mentioned request, M3 may terminate the Contract with immediate effect.

#### **Clause 10. Personal Data Processing**

**10.1** The Purchaser's personal data shall be processed in accordance with the provisions of Italian and European legislation on personal data processing (Italian Legislative Decree No. 196/2023 and EU Regulation No. 679/2016). M3 informs that the Purchaser's personal data are collected and processed exclusively for the execution of the Contracts.

**Clause 11. Governing Law, Arbitration and Court of Competent Jurisdiction**

**11.1** All Contracts shall be governed by the Italian Law.

**11.2** All disputes, including non-contractual disputes, arising out of the Contracts or these Terms and Conditions relating to or in connection with the same shall be settled by binding arbitration ("arbitrato rituale") in accordance with the Rules of the Milan Chamber of Arbitration, by a sole arbitrator appointed in accordance with such Rules. The language of the arbitration shall be Italian and the seat shall be the Milan Chamber of Arbitration. This arbitration clause shall only apply if the contractual counterparty of M3 has its registered office in a State which is not a member of the European Union.

**11.3** If, on the other hand, the contractual counterparty of M3 has its registered office in a Member State of the European Union, all disputes referred to in Article 11.2 above shall be exclusively brought before the Court of Parma.

**Clause 12. Italian Language Prevailing**

**12.1** If these General Terms and Conditions are available on the website [m3srl.com](http://m3srl.com) both in Italian and in another language, the Italian language version shall prevail in the event of any discrepancy between such versions.