

Terms and Conditions of Supply of Nord Fluid S.p.A

I. Validity: opposition to third-party terms and conditions

1. These Terms and Conditions of Supply (TCS) of Nord Fluid S.p.A. ("Nord Fluid") apply to all supplies of products ("Products") and services provided by Nord Fluid, regardless of whether it involves a contract for sale or purchase, works, tender or any other contractual agreement. The terms and conditions shall be valid for all future business relations, even when not expressly stipulated and/or referenced again.
2. The TCS shall prevail over every other contractual term or condition set out elsewhere and, even if agreed to after these TCS have been signed, shall prevail over any and all other rules contained in business uses and customs. This shall even apply if they are developed by the parties, except in the case of any express exception indicated by Nord Fluid in the order confirmation or business agreement, or which are accepted in writing and with Nord Fluid's express waiver thereof.
3. The Customers' terms and conditions shall not be recognised unless expressly approved in writing by Nord Fluid. In the event of a conflict arising between these Terms and Conditions of Supply (TCS) and the Customers' terms and conditions, these TCS shall prevail.

II. Technical Documentation

1. If Nord Fluid provides the Customer with technical documentation related to the Products (such as images or technical drawings), the Customer is only authorised to use this documentation for the purpose specified and indicated by Nord Fluid. The Customer may not disclose any such documentation to third parties, except to authorities or judicial bodies in response to justified requests.

III. Termination of the Contract

1. The contract is deemed binding:
 - ✓ with the confirmation of the order by Nord Fluid, whether this follows written or verbal negotiations; or alternatively
 - ✓ upon the signing of business agreements between Nord Fluid and the Customer (the "Contract").

IV. Prices and price increases

1. If the contract does not specify a fixed fee or price, the fees and prices listed in Nord Fluid's price list in effect at the time of delivery shall apply.
2. Nord Fluid's prices are quoted ex-works, and exclude VAT. Packaging, transportation and other ancillary services (e.g., customs duties) are calculated separately.
For consecutive orders, Nord Fluid shall not be bound by previously applied prices, and will apply the prices in force at the time of each individual delivery.
2. If a fixed fee or price has been agreed with the Customer and partial deliveries are made, either scheduled for specific periods or dates or requested explicitly by the Customer, or if deliveries are to take place more than four months after the Contract is entered into, Nord Fluid is entitled to increase the agreed price in proportion to any increase in supplier prices applied to Nord Fluid as per their price lists after the Contract was entered into.

V. Payment terms

1. Payment for the Products shall be made within the terms and according to the methods specified in each invoice.
2. In the event of late payment beyond the terms indicated in the invoice, default interest will be applied to the outstanding amount as per the provisions of Legislative Decree no. 231 of 9 October 2002. The above condition shall in no way prejudice the right to seek compensation for further damages.
3. If the Customer should make any disputes and/or complaints regarding the Products, under no circumstances shall the former be entitled to suspend or delay payment for the Products in question, or for Products from other deliveries.
4. Acceptance of bills of exchange or cheques requires the prior express consent of Nord Fluid. In the case of payment by bill of exchange, no cash discounts will be granted.

5. Payments shall only be considered completed once Nord Fluid has definitively received the amount due in full.
6. As provided for by Article 6 of Legislative Decree 231/02, Nord Fluid is entitled to compensation for costs incurred in recovering amounts not paid on time by the Customer. Partial payments, regardless of any calculation made by the Customer, shall first be applied to cover expenses, then interest, and finally the principal amount (and, in the case of multiple debts, the oldest debts first).

VI. *Delivery deadlines, suspensions, delays and partial fulfilment:*

1. The delivery deadlines shall be calculated from the moment the contract is entered into, or alternatively with effect from any other date specified in the commercial agreements or the order confirmation. If the Customer is required to provide Nord Fluid any materials, documentation, authorisations, technical specifications or any approvals which are necessary (the latter only in the case of pre-series and/or prototypes and/or detailed designs prepared by Nord Fluid), the delivery deadlines will not be calculated until the Customer has fulfilled said obligations. If a delivery deadline has already been agreed, it will be extended in proportion to any delay by the Customer in meeting these preliminary conditions.
2. The delivery deadlines for Products are not binding on Nord Fluid, and are merely indicative. The Customer acknowledges that deliveries made by Nord Fluid, in its capacity as distributor, are contingent on deliveries made to Nord Fluid by its suppliers.
3. Pursuant to Article 1460 of the Italian Civil Code, Nord Fluid is entitled to suspend fulfilment if the Customer fails to meet its obligations towards Nord Fluid, particularly payment obligations, within the scope of the overall commercial relationship between Nord Fluid and the Customer.
4. Nord Fluid is authorised to fulfil orders in part.

VII. *Risk, shipping and acceptance of goods*

1. Products are delivered ex-works at to Settimo Milanese (Milan), at no. 24, Via G. Keplero, and/or Settimo Torinese (Turin), to no. 80, Via G. Verga, as specified in the contract on a case-by-case basis. Even if shipping or transport costs are advanced by Nord Fluid, the Products always travel at the Customer's expense, risk, and responsibility. Risk is transferred to the Customer no later than the moment the Products are handed over to the carrier or shipping agent, or as soon as they leave Nord Fluid's warehouse.

Nord Fluid is not obliged to insure the Products against any damage incurred in transportation. Shipped Products shall only be insured against theft, transport damage and other insurable risks upon the Customer's explicit written request, in the Customer's name and on their behalf, with all associated costs to be borne exclusively by the Customer.

2. Nord Fluid is not liable for shipping delays caused by circumstances beyond its control.
3. The Customer must accept the delivered Products, without prejudice to its rights, even if they display signs of defects.
4. All additional costs and expenses incurred in shipping the Products to the Customer (or to the delivery location specified by the Customer in the order) are the responsibility of the Customer.

VIII. *Transport damage:*

1. The Customer is required to verify the integrity of the Products upon receipt, and must report any claims directly to the carrier or shipping agent by stating a specific reservation on the delivery note.
2. The Customer must notify Nord Fluid in writing at the time of delivery of any transport-related damage or loss, and must not alter the shipped Products, in order to allow them to be inspected immediately. This requirement applies even if transport-related damage only becomes apparent once the goods have been unpacked.
3. Nord Fluid shall not be held liable for any damage caused to the Products during their transportation.

IX. *Notification of Defects and/or Faults, Warranty, and Limitation of Liability*

1. The Customer must report any apparent defects in the Products in writing to Nord Fluid within eight (8) days of delivery. Failure to make any such notification within this period shall result in the Products being deemed as compliant with the contract and free of any defects.

2. In the event of any defects and/or faults being found by Nord Fluid, Nord Fluid shall, at its sole discretion and within the warranty period, be obliged only to either rectify the flaw in the original Products or replace the defective Products. Any replaced parts shall become the property of Nord Fluid. If subsequent corrective action is unsuccessful, the Customer may request a price reduction or, at its own discretion, may choose to terminate the contract.
3. Nord Fluid's liability is limited to the value of the Products. Under no circumstances will any compensation payable by Nord Fluid to the Customer exceed the price paid for the supplied and disputed Products, which is to be understood as the maximum limit for compensation. Except in cases of wilful misconduct or gross negligence, Nord Fluid shall not be liable under any circumstances for direct, indirect, immediate, or consequential losses or damages arising from a breach of contract obligations or defects and/or faults in the Products.
3. Complaints regarding incomplete or incorrect deliveries must be communicated to Nord Fluid in writing within three (3) days of delivery, failing which the Customer forfeits their right to raise such complaints.
4. Nord Fluid's obligation is limited to the delivery of the ordered Product (code). It is the Customer's responsibility to check the Product's compatibility and functionality with the application/system in which it will be installed; Nord Fluid assumes no responsibility in this regard.
5. Nord Fluid is not liable for materials supplied by the Customer, or for materials with characteristics specified by the Customer, or constructions made according to the Customer's instructions.

X. **Product Compliance**

1. The characteristics of the Products sold by Nord Fluid comply with the legal provisions in force in Italy at the time of delivery, where such provisions include regulations regarding Product characteristics. If an order is placed by a foreign Customer for delivery abroad, or if a Customer explicitly requests delivery abroad, or notifies Nord Fluid of its intention to export the Products - potentially after processing or installation - Nord Fluid shall, subject to explicit written confirmation of the Products' suitability for export and where feasible, ensure compliance with export regulations applicable in the European Union, its member states, other states that have ratified the Agreement in the European Economic Area (Norway, Iceland, Liechtenstein), as well as Switzerland and the United States. Nord Fluid is not obliged to take measures to respect legal provisions in force in other countries.

XI. **Protection rights**

2. If Nord Fluid is required to provide services based on designs, models or samples, or using components provided by the Customer, the Customer shall guarantee that such activities do not infringe any third-party proprietary rights, including intellectual property rights. The Customer shall hold Nord Fluid harmless against any third-party claims for the breach of such rights and agrees to compensate any resulting damages and reimburse Nord Fluid for any expenses incurred. If a third party prohibits the Customer and/or Nord Fluid from manufacturing or supplying goods by asserting a proprietary right, Nord Fluid reserves the right, at its sole discretion, to suspend the service, even without conducting a detailed legal review. This does not exempt the Customer from the obligation to pay Nord Fluid for any work already performed and to reimburse expenses incurred, in addition to fulfilling the other commitments outlined above.

XII. **Force Majeure**

1. Nord Fluid shall not be liable for delays or failures to fulfil its contractual obligations, in whole or in part, if such delays or failures result from unforeseeable circumstances beyond its control. These include, but are not limited to, natural disasters, fires, earthquakes, floods, uprisings, strikes and other cases of force majeure, including force majeure events affecting Nord Fluid's suppliers and/or companies within the group to which Nord Fluid belongs.

XIII. **Express termination clause**

1. Nord Fluid shall be entitled to terminate the contract in accordance with article 1456 of the Civil Code, and to receive compensation for any damages, in the event that the Client should:
 - ✓ fail to pay Nord Fluid for any Products supplied;
 - ✓ fail to collect or receive the Products.

XIV. Dual-Use

1. The Customer declares it is purchasing the Products exclusively for civilian purposes, and undertakes to comply with the regulations on dual-use items relating to tangible and intangible goods, services, and information (dual-use products) in full, with explicit (but not exhaustive) reference to the laws of the European Union, the United States of America, and the United Kingdom.
2. The Customer confirms that the subject matter of these TCS and the contracts will not be used, in whole or in part, in products that are directly or indirectly employed (including through transfer, re-export, leasing, rental or any other transfer to third parties) for military purposes, or in the design, development, production or use of chemical, biological or nuclear weapons, vehicles, or delivery systems for such weapons, or in the development of any weapon of mass destruction.
3. In addition, the Customer undertakes to ensure that Nord Fluid, its trademarks and its products are not associated with activities or behaviours that do not comply with dual-use regulations.
4. The Customer is obliged to immediately compensate Nord Fluid for any damages incurred as a result of breaches of the above-mentioned regulations. Furthermore, the Customer must hold Nord Fluid harmless against any third-party claims, penalties, or costs that may arise due to non-compliance with these obligations.

XV. Export Controls

1. The Customer undertakes, with regard to the nature and subject matter of this contract, to fully implement the provisions related to the so-called "export control system," which imposes restrictions on commercial and non-commercial activities involving certain individuals or entities, and specific countries, regions or territories, with explicit (but non-exhaustive) reference to the laws of the European Union, the United States of America, and the United Kingdom.
2. In particular, the Customer acknowledges the existence of sanction programmes, embargoes and export control regulations issued by the European Union against certain countries, including, but not limited to, Belarus (Reg. 765/2006), the Presidential Decree of Korea (Reg. 2017/1509), the Russian Federation (Reg. 833/2014), Syria (Reg. 36/2012), South Sudan (Reg. 2015/735), Sudan (Reg. 745/2014), Ukraine (Reg. 269/2014, Reg. 2022/263).
3. As a result, the Customer must not sell, transfer, re-export, lease, rent or otherwise dispose of the aforementioned goods, directly or indirectly, to any person or entity included on any sanctions list of the European Union, including, but not limited to, the Consolidated List of Financial Sanctions or sanctioning regulations related to Belarus, Iran, the DPRK (North Korea), South Sudan, Sudan, Syria, Russia, and Ukraine.
4. Additionally, the Customer must not sell, transfer, re-export, lease, rent, or otherwise dispose of the said goods, directly or indirectly, to any country or territory subject to sanctions under EU regulations, including, but not limited to, Belarus, North Korea, South Sudan, Sudan, Syria, Russia, and Ukraine.
5. Moreover, under the XII sanctions package introduced by the European Union against Russia, exporters are required by contract to prohibit the re-export of certain goods or technologies to Russia or for use in Russia. Article 12 *octies* of Regulation (EU) 2023/2878, amending Regulation (EU) No. 833/2014 on restrictive measures in light of Russia's actions to destabilise Ukraine, imposes an obligation for exporters, with effect from 20 March 2024, upon the sale, supply, transfer or export to a third country, except for partner countries listed in Annex VIII, to contractually prohibit the re-export to Russia and the re-export for use in Russia of:
 - goods or technologies listed in Annex XI (goods and technologies suitable for use in aviation or the space industry), Annex XX (turbojets and fuel additives), Annex XXXV (firearms and other weapons) of Regulation (EU) 833/2014;
 - common high-priority products listed in the new Annex XL to the Regulation (which includes, for example, electronic circuits, specific capacitors, electrical parts of machinery or appliances, static converters, cameras, plugs and sockets, etc.);
 - firearms and ammunition listed in Annex I of Regulation (EU) No 258/2012.

If the counterpart from a third-party country should breach any of the contractual obligations established under paragraph 1, exporters must notify the competent authority of the Member State in which they reside

as soon as they become aware of the breach.

6. The Customer must immediately notify Nord Fluid in writing if any of the statements contained in this clause become false, inaccurate, or incomplete, or if there is a breach of any obligation set out in this clause.
7. Lastly, the Customer shall undertake to ensure that Nord Fluid, its trademarks and its products are not associated with activities or behaviours that do not comply with the Export Control System.
8. The Customer shall be obliged to immediately compensate Nord Fluid for any damages suffered due to violations of the above-mentioned rules and to hold Nord Fluid harmless against any third-party claims, penalties or costs incurred as a result of the Customer's non-compliance.

XVI. General Provisions

1. The invalidity of a clause in these TCS and further agreements shall not affect the validity of the remaining clauses. The contracting parties are required to replace the invalid clause with a clause that comes as close as possible to the economic result sought by the invalid clause.
4. Any forbearance of either Party with respect to conduct of the other, where said conduct breaches the clauses of the Contract, shall not be construed as a waiver of rights arising from the breached clauses, nor of the right to demand proper fulfilment of all terms and conditions contained in the Contract.
5. These TCS and any information, documents or materials provided by Nord Fluid to the Client are to be considered strictly confidential, and may not be disclosed to third parties without Nord Fluid's prior written consent.

XVII. Applicable Law and Court of Jurisdiction

1. In connection with these TCS, Italian law shall apply to any Contract and to any legal relationship between Customer and Nord Fluid, to the exclusion of international private law and the 1980 Vienna Convention on the International Sale of Goods (CISG).
2. For anything not stipulated in these TCS, reference shall be made to the rules of the Italian Civil Code and the relevant laws and regulations in force, where applicable.
3. The cognizance and decision of any dispute arising from the interpretation, execution or termination of these CGF and/or the Contract shall be the sole jurisdiction of the Court of Milan.

XVIII. Personal Data Protection

1. Nord Fluid is committed to ensuring it observes the utmost respect regarding personal data processing, particularly in relation to EU European Regulation no. 679/2016 on the Protection of Personal Data ("GDPR") and Legislative Decree 196/2003 and subsequent additions and amendments. The full privacy policy for the processing of personal data is available at: privacy@nordfluid.it

In acceptance of the above general terms and conditions of supply

Place, date: _____

Customer's stamp and signature

Pursuant to Articles 1341 and 1342 of the Italian Civil Code, we declare that we expressly accept the provisions contained in Articles V (Terms of Payment), VI (Delivery Terms, Suspension, Delay and Partial Fulfilment), VII (Risk, Shipping and Acceptance of goods), VIII (Damage Resulting from Transportation), IX (Reporting of Flaws and/or Defects, Warranty and Liability Limits), XIII (Express Termination Clause), XVII (Jurisdiction).

Place, date: _____

Customer's stamp and signature