

## GENERAL CONDITIONS OF SUPPLY

In the following general conditions of supply, the term "Purchaser" is intended as indicating Fandis S.p.A., while the term "Supplier" is intended as indicating the designated supplier. The term "Parties" refers to the Supplier and the Purchaser. The term Product(s) refers to the products made *and/or* commercialized by the Supplier and supplied to the Purchaser.

The general conditions of purchase that are specified below are intended, to all intents and purposes, to be an integral part of the purchase order.

In cases where the Supplier's general conditions are contrary to the Purchaser's general conditions of purchase, unless specifically approved by the latter in writing, they shall be intended as not accepted and contractual relations shall be integrally regulated by the present conditions.

### 1. ACCEPTANCE OF PURCHASER'S ORDER

The Supplier shall notify the Purchaser of acceptance by returning the stamped and signed Purchase Order no later than 3 (three) working days from receipt. The Supplier shall also sign the clauses requiring "double acceptance" in the Purchaser's Purchase Order under articles 1341 and 1342 of the Italian Civil Code.

If the order is not accepted by the Seller within the aforementioned term, the Purchase Order will be automatically cancelled and the contract will be considered concluded before starting.

### 2. CORRESPONDENCE

All correspondence shall always make reference to the number of the Purchaser's purchase order.

### 3. TERMS OF DELIVERY

The terms of delivery indicated in the order are intended as essential. Extensions are not allowed without the prior written approval of the Purchaser. In any case, the Purchaser must be immediately informed of the delay as soon as the Supplier becomes aware of the situation.

### 4. SUPPLY EXECUTION – PRODUCT(S)

4.1. Products must be in strict conformity with the order and the specifications approved by the Parties, with the exclusion of any unilateral changes and must be accompanied by the documentation prescribed by law or contract.

4.2 The order and its execution cannot be transferred by the Supplier, even partially, unless expressly authorised in writing by the Purchaser.

4.3 Delays due to force majeure, as under article 8 of these Supply Conditions, shall be promptly notified to the Purchaser and the Purchaser shall be promptly informed as soon as their effect has ceased.

4.4 The Supplier shall request the Purchaser's prior written acceptance before introducing any variation to the Product, however insignificant.

4.5 The supplied Products shall strictly correspond with those sampled and previously approved by the Purchaser. They will also comply with the technical and illustrative documentation and the accompanying operating instructions required by law or requested in the order.

### 5. DELIVERY DELAYS – explicit cancellation clause

5.1 In case of delivery delays exceeding 30 calendar days, the Purchaser may terminate the order with immediate effect pursuant to and for the purposes provided for by article 1456 of the Italian Civil Code by notifying the Supplier, without prejudice to the right to compensation for damages incurred.

5.2 In the case of deliveries spread over time, the termination may involve deliveries previously made and paid for if the Purchaser loses interest in the partial supply as a result of non-completion.

5.3 Any partial deliveries may be rejected if not included in the order and if they are accepted are still under the condition of return if the order is terminated as above.

5.4 If the Purchaser accepts a partial or late delivery not making use of the express termination clause in this case for each day of delay in the completion of the supply itself, a penalty shall accrue, for each week of delay or fraction thereof, equal to 2.5% of the amount due for the supply, up to a maximum of 15% of the total amount due for the supply, without prejudice to any greater damage incurred. In any case, the Purchaser may communicate the intention to make use of the termination clause at any time. In this case, without prejudice to greater damages, a penalty for termination equal to 20% of the consideration for the supply itself will be applied, including any penalty for delay already accrued.

### 6. SPECIFICATIONS AND CONFIDENTIALITY COMMITMENT

6.1 All technical and commercial information, as well as any other information acquired by the Supplier in the course of performing the supply, in particular when transmitted by the Purchaser in writing and marked as "Confidential", "Highly Confidential", "Internal" or similar, shall be considered "**Confidential Information.**"

The Supplier shall treat all Confidential Information with the utmost confidentiality and shall not use such Confidential Information for purposes other than the production intended for the Purchaser, nor disclose it, nor allow it to be

disclosed, to any third party. The Supplier shall protect the Confidential Information with the same degree of care it uses to protect its own information of a similar nature and, in any event, with no less than reasonable care.

The Purchaser may, at any time, by written notice, request the Supplier, which shall comply to the extent reasonably possible, to promptly return or destroy all Confidential Information in its possession.

**6.2** The Supplier undertakes to notify the Purchaser of any material information security incident within twenty-four (24) hours of becoming aware thereof and shall further provide the Purchaser, within seventy-two (72) hours, with a detailed report including the analysis of the incident, its impacts, and the corrective measures adopted.

**6.3** In the event of information security incidents caused by the Supplier's negligence or failure to implement the agreed protective measures, the Purchaser reserves the right to seek indemnification from the Supplier for any damages suffered.

**6.4** The Purchaser shall provide technical specifications accurately describing the Product to be manufactured, i.e. the variants and customisation required on the products manufactured in series by the Supplier. Furthermore, the specifications will indicate the sizes, tolerances and levels of finish and sometimes the types of materials to be used.

**6.5** Any changes to the technical specifications or the production methods or the materials must be approved by the Purchaser in advance. The Purchaser shall be allowed to examine the prototype made based on the Purchaser's specifications and verify its functionality. The specimen thus verified will be kept in duplicate by the parties as a reference parameter for any subsequent evaluation of the conformity of the supplied goods.

**6.6** Pledge to respect confidentiality shall be upheld for an indefinite time, unless the facts and information become known, and is extended to the Supplier's collaborators, who shall, in any case, refrain from any use, including their own, unrelated to contractual activities.

**6.7** However, the Parties acknowledge that the contractual relationship does not constitute a subcontracting relationship concerning the ownership of the relevant know-how.

## **7. INFORMATION SECURITY**

The Supplier shall process all data received from the Purchaser (including, without limitation, personal data within the meaning of the GDPR and any business, production, or other company data) solely for the purposes set out in the Agreement and exclusively within the Supplier's IT infrastructure.

The Supplier shall implement and maintain appropriate technical and organizational measures, in accordance with Article 32 of the GDPR, to ensure a level of security appropriate to the risk, including, at a minimum, the following measures:

- a) access to devices (including computers, servers, and mobile devices) protected by strong password policies;
- b) deployment and maintenance of up-to-date antivirus and anti-malware solutions;
- c) operation of a properly maintained and regularly updated firewall protecting the external network perimeter;
- d) regular data backups performed at appropriate intervals and stored on systems segregated from the primary network;
- e) encryption of hard drives on portable devices;
- f) use of corporate email accounts hosted within the European Union and supported by adequate security controls;
- g) use of operating systems and production software that are actively supported by their vendors, or, where such support is no longer available, implementation of appropriate technical and organizational measures to ensure their security;
- h) periodic (at least quarterly) installation of security updates and patches for operating systems and software (patch management);
- i) provision of appropriate cybersecurity training to employees involved in data processing activities;
- j) maintenance of access logs for the IT systems used to process data.

## **8. INTELLECTUAL PROPERTY RIGHTS**

All drawings, technical documents, confidential information, software and know-how regarding the commissioned Product and its production, provided by one Party to the other Party before or after the conclusion for the supply order remain the property of the Party that supplied them.

## **9. SHIPPING**

**9.1** The delivery terms are intended to refer to the ICC Incoterms 2020.

**9.2** For supplies with delivery agreed "ex works", the Supplier must obligatorily use the transporters and/or carriers indicated in the order.

- a) For supplies with delivery agreed "free to destination", any loss of or damage to the material during transport is fully chargeable to the Supplier.

- b) Packing – The Supplier shall provide for adequate packing of the supplied materials according to best practices, such that the material is not damaged either during storage or during transport.
- c) The Purchaser is expressly exempted from carrying out conformity and integrity checks upon delivery, barring visual ones from close examination of the packing. In any case, goods are intended as always being accepted conditionally, subject to checking.

#### **10. QUALITY AND CONTROLS**

10.1 The Supplier shall implement and maintain production and control means and processes suited to make sure that the Product is reliable, of adequate quality and in conformity with the technical prescriptions provided by the Purchaser.

10.2 Unless otherwise agreed in writing, the Supplier shall issue a certificate of qualitative conformity to declare and certify that the supplied Product was adequately tested and found to be suitable following such testing.

10.3 The Supplier shall inform the Purchaser of technical innovations that could improve the quality and/or characteristics of the ordered Product and the technological innovations which could concern the quality and/or the features of the ordered Product.

10.4 During the production or preparatory activities of the supply, the Purchaser may intervene to conduct audits with their quality control service. The positive outcome of the aforementioned checks will not, however, exempt the Supplier from responsibilities in the event of a non-conforming supply or from the obligation to adopt the changes and additions required by law for the product to comply with the applicable legal provisions, even giving notice.

#### **11. FORCE MAJEURE**

11.1 The Parties (Supplier and Purchaser) shall not be liable for damages or other towards the other Party due to default, even partial, or delay connected with the execution of that agreed when such default or delay is due to an event of force majeure, including but not limited to fire, even if caused by arsonists, electrical blackouts, acts of war, even undeclared, kidnapping, flooding, civil insurrection, strikes or similar events.

11.2 Upon the occurrence of a force majeure event, the Party at fault shall promptly inform the other Party and take action to remedy or eliminate the cause of the delay.

In case the force majeure event continues for a period exceeding one month, the other Party shall be entitled to declare the supply contract terminated.

#### **12. ACCEPTANCE OF GOODS**

Without affecting what has been previously stated, goods are visually checked upon arrival at the Purchaser's warehouse or in places indicated by the Purchaser.

Any inconformity of the supply with respect to the order shall be rectified by the Supplier at his expense and as soon as possible.

Formal notice of inconformity, damage or defectiveness must be given in writing within 90 days of delivery, except in the case of hidden defects for which the aforesaid period runs from the date of discovery, provided that this is within 18 months of delivery.

#### **13. WARRANTY**

13.1 The Supplier guarantees that the supplied product is suitable for the use and conforms to the technical specifications of the ordered product. The Supplier also guarantees that the materials employed are free of defects or faults, even hidden ones, and that the manufacturing processes have been carried out to the highest standards and according to the most modern technologies, and that they are in compliance with current regulations.

13.2 The Supplier undertakes to replace defective material at their care and expense, even if supplied to third parties, upon simple request of the Purchaser, who will also be entitled to full compensation for the damage incurred. The Supplier shall access the end customer for the replacement operations at their own expense and if the Supplier does not do so with the utmost promptness, the Purchaser will step in and be entitled to charge the costs of the operation in addition to a penalty for non-performance equal to an amount corresponding to 5 times the supply price of the product with a minimum of €1.000,00. The respective amounts may be offset against any credits from the Supplier.

13.3 Any attempt by the Supplier to deny, limit or restrict such warranties shall be ineffective or unenforceable unless the Purchaser has given their prior written consent.

13.4 The Supplier also guarantees having undersigned product tort liability insurance.

#### **14. DEFECTIVE MATERIAL RECALL**

The Supplier recognizes the Purchaser's right to recall defective material, even if incorporated by third parties in their products. The related expenses, of any type, shall be chargeable to the Supplier. The choice of substitution, repair or integral rejection of the supply lies with the Purchaser, also regarding items still possibly in the warehouse, with the withdrawal of the items chargeable to the Supplier without exception.

#### **15. PRICES**

The prices confirmed by the Supplier are fixed, all-inclusive and unchangeable.

## **16. FULL STIPULATION**

16.1 The Purchase Order and the conditions of supply, which are sent by registered mail to the Supplier and which are expressly referred to on each Purchase Order sent by the Purchaser, represent the complete agreement between the Parties and supersede any previous agreement regarding the subject matter of the supply.

16.2 Acceptance of the Purchase Order by the Supplier automatically cancels the Supplier's conditions of supply. All clauses contained in the Supplier's order confirmations and contrast with those provided for in the Purchaser's "general supply conditions" are understood to be rejected and thus ineffective.

16.3 The Purchaser reserves the right to make changes to the Purchase Order in writing, before it is processed, concerning quantity, place and date of delivery, method of shipment and packaging.

## **17. MISCELLANEOUS**

17.1 All the rights and remedies of the Parties listed herein, or some thereof, shall be in addition to all other relevant statutory rights and remedies and deemed cumulative and not alternative to such statutory rights and remedies.

The present conditions of supply have been promptly notified to the Purchaser, who has carefully and completely read them. They cancel and replace any other agreement, verbal or written, that may have been made between the Parties.

17.2 Any amendment to the clauses shall only be valid if made in writing. The practice shall not constitute a tacit amendment to the conditions laid down in the present contract.

17.3 The simple delivery or payment can in no case be considered as acceptance of the goods.

## **18. PATENTS**

The Supplier shall indemnify and hold harmless the Purchaser and its customers from and against any claim, legal action, or demand for damages brought against the Purchaser or its customers in connection with the use of patents employed by the Seller in the manufacture of the materials and equipment covered by the purchase order, as well as in connection with the related process.

Should the use of the materials, equipment, or process covered by the purchase order be prohibited, the Supplier shall, at its own expense, undertake to obtain for the Purchaser the right to continue using the materials, equipment and/or process covered by the purchase order, or to replace them with equivalent materials, equipment, or processes that do not give rise to any infringement, or to withdraw such materials or equipment and refund the Purchaser the purchase price, including transportation and installation costs.

## **19. ASSIGNMENT OF CREDIT**

The assignment of credit, specific recovery orders or other systems of payment delegation is not allowed without the prior and express approval of the Purchaser.

## **20. EEC COMMUNITY DIRECTIVES AND LAWS**

It is compulsory for the Supplier to respect that provided for by the Directives issued by the EEC and applicable to the supplies specified in the Purchase Order. Furthermore, the Supplier must fulfil, under his direct responsibility, all obligations provided for by Italian and EC law, where applicable, for the execution of the supply of materials and services.

## **21. DISPUTES**

Any dispute or controversy deriving from the execution and/or application of the supply order not been amicably resolved by the Parties shall be submitted exclusively to Italian jurisdiction and the competence of the Court of Novara.

## **22. APPLICABLE LAW**

The applicable law is Italian law.

Borgo Ticino, 25<sup>th</sup> February 2026