

## GENERAL TERMS AND CONDITIONS OF SALE

### 1. GENERAL PROVISIONS AND SCOPE.

1.1. The following definitions are used hereinafter in this document:

“**Buyer**” refers to the person, firm or company whose purchase order is received;

“**General Conditions**” refers to this document, containing the general terms and conditions of sale of SF Collection S.n.c. di Cantarutti Erich e Gianpaolo;

“**Parties**” refers to the Seller and the Buyer together;

“**Products**” refers to any and all goods, products and components sold by SF Collection S.n.c. di Cantarutti Erich e Gianpaolo;

“**Seller**” or “**SF**” refers to SF Collection S.n.c. di Cantarutti Erich e Gianpaolo, with its registered office in Via Masarotte n. 1, 33048 – San Giovanni al Natisone (UD), Italy.

1.2. These General Conditions shall apply to any supply of Products by SF to any Buyer, even if these General Conditions are not expressly referred to, mentioned, or explicitly accepted by the Buyer from time to time.

1.3. Divergent agreements shall be binding on SF only upon prior written acceptance and with respect to a specific transaction only. In any case, even if inconsistent provisions are agreed upon, these General Conditions shall apply to the extent they are not expressly disregarded.

1.4. Any terms that may now or in the future appear on Buyer’s forms or communications, even if mentioned or included in orders or any other document sent to the Seller, shall be rejected without further action by SF and will not be binding on the Seller. No act or behaviour by the Seller shall be interpreted or used to express its tacit acceptance of the Buyer’s general conditions of contract.

1.5. These General Conditions, the purchase order, and the Order Confirmation/Pro forma invoice (as defined hereinafter) will constitute the entire agreement between the Parties with respect to the Products being sold and shall supersede all prior proposals, negotiations, and communications, oral or written, between the Parties concerning the same Products.

1.6. The Seller reserves the right to change, integrate or vary the General Conditions, by including such variations in the quotations or in any other written correspondence sent to the Buyer.

1.7. Except as set forth to the contrary herein, any right or remedy of the Seller will be cumulative and without prejudice to any other right or remedy provided for by law, whether contained herein or not.

### 2. PRODUCTS.

2.1. Any representation and/or image relating to the Products included in Seller’s websites, brochures, catalogues, price lists or other similar documents is to be considered approximate and purely illustrative. As a consequence, such representations and/or images do not represent the final result of the Products and do not constitute a quality warranty. Technical and physical characteristics of the Products as well as the qualities of the same are described in the Seller’s product sheets, 3d files only.

2.2. The Seller declares that the Products are compliant with the applicable laws of the European Union and Italy. The Products must be used in accordance with the diligence required by the nature of the Products. Failing to do so, it will result in the exclusion of any Seller’s liability, in the lapse of any warranty and in the unenforceability of warranty rights under these General Conditions or any other legal or agreed warranty.

2.3. It is Buyer’s responsibility, before concluding the contract, to ensure that the Products are suitable for the specific purpose and/or intended use and, in addition, that they also comply with the laws and regulations applicable in the place where the Buyer will import, distribute, sell, or use them in any way.

2.4. SF shall be entitled to make any changes to the Products which it deems necessary or convenient, without notice. It is Buyer’s responsibility, before concluding the contract, to check with a written request if the Products of his or her interest have undergone changes.

2.5. The Buyer shall inform its customers and third parties of the characteristics of the Products and their use or application and shall be the sole responsible and liable for such declarations. The Buyer shall indemnify and hold the Seller harmless from any damage possibly suffered with reference or in connection with such declarations, in case they result false, incomplete or inaccurate.

### 3. OFFERS, ORDERS AND ORDER CONFIRMATIONS. CANCELLATIONS AND CHANGES.

3.1. Unless differently stated in writing by the Seller, quotations and offers from SF shall be effective for a period of 30 (thirty) days from the date of issue. Anyhow, the Seller will be entitled to cancel or change the quotations or offers as well as the features, specifications, designs, and availability of the Products at any moment before issuing the written confirmation of acceptance of the order (hereinafter, “Order Confirmation” or “Pro forma Invoice”). All quotations are non-binding for the Seller and subject to revision for errors and omissions.

3.2. Purchase orders shall not be subject to cancellation or change by the Buyer for any reason, except with the Seller’s written consent and upon terms that will indemnify, defend, and hold SF harmless against all direct, incidental, and consequential losses or damages. Should cancellation be agreed upon, SF will apply a cancellation charge for procurement and operational costs relative to the cancelled order, that will amount to [30]% of the purchase order value, unless otherwise agreed upon by the Parties.

3.3. After receiving First Payment, the Seller will prepare the requested Products and inform the Buyer when the Products are ready for shipment.

### 4. PRICES AND PAYMENT TERMS.

4.1. The Products shall be supplied at the prices agreed between the Parties and stated in the Order Confirmation/Pro forma Invoice.

4.2. Unless otherwise agreed, all prices do not include VAT and any other sales tax, customs duties, bank guarantee on payments, insurance costs and tariffs associated with each order, transportation, shipping, storage, handling, installation or similar.

4.3. Payments by the Buyer will be in Euro or in the currency of the place where the Buyer has its registered office, at Seller’s discretion, in accordance with the currency indicated by SF in the related sale invoice.

4.4. Unless otherwise agreed in writing by the Parties, the Buyer shall pay the price of the Products only by bank transfer to the Seller’s current account, as follows:

30% (thirty percent) of the total price order in advance (“**Advance Payment**”), within 3 (three) working days of the Order Confirmation;

70% (seventy percent) of the total price order before dispatch, when Products will be ready for shipment (“**Final Payment**”), within 3 (three) working days of the notice of readiness for dispatch given to the Customer.

4.5. If the Buyer is in delay or in default with its payment, the Seller, without prejudice to compensation for damages, shall be entitled: (i) to demand late interest payment in accordance with applicable law; (ii) to suspend the ongoing and future production and delivery of the Products, upon written notice to the Buyer, until all delayed amounts and late payment interest are fully paid; (iii) to cancel discounts and bonuses that may have been agreed between the Parties; (iv) to withdraw from all contracts it entered into with the Buyer, should the debt not be settled within 15 (fifteen) days from the formal request made by the Seller in writing.

4.6. Should an agreement be reached on the extended payments, and should an installment not be paid on time, the Seller will be entitled to require the payment of the whole amount, without considering the Buyer’s payment deadline, even if the conditions of article 1186 of the Italian Civil Code are not met.

4.7. The Buyer will not be entitled to start or continue any lawsuit or legal action against SF without having previously paid the total price in accordance with the sale contract, even in case of notifications of defects and defects of the Products. Payment shall in no case be suspended or delayed.

4.8. The Buyer shall not be entitled to make any compensation, netting, retention or reduction unless its counterclaims have been approved in writing by the Seller or are based on a valid and legally binding Court decision.

### 5. DELIVERY TERMS.

5.1. Shipment time will be determined by mutual agreement between SF and the Buyer. Since Products are built upon Buyer’s request, SF does not accept delay penalties.

5.2. Upon the receipt of the Final Payment, SF shall deliver the instruments to the Buyer not later than the designated shipment time. The Buyer shall provide SF with all required by Buyer’s national regulations documents for the delivery of the Products to the agreed place of delivery. Unless otherwise stated in writing, SF may choose at its discretion the carrier and means of delivery.

5.3. Unless otherwise specified in writing, the risks shall be transferred to the Buyer once the Products are ready for dispatch and notice of readiness for dispatch is given to the Customer. Furthermore, SF shall be entitled to charge any costs which result from the storage of the Products to Buyer’s account.

5.4. Delivery terms will be automatically considered as extended, should the Buyer delay the Final Payment or not communicate the data necessary for the supply within the due time or require changes to the Products during work execution, it being understood that such changes are subject to Seller’s approval.

5.5. Unless otherwise agreed in writing, the Seller is not obliged to accept the Product’s returns. All the costs arising thereof shall be at Buyer’s expense.

5.6. The Buyer is required to keep the original packaging for the Products’ shipping and return. Returns of the Products without the original packaging will not be accepted by SF.

### 6. DUTY TO INSPECTION AND ACCEPTANCE OF PRODUCTS. MINOR DISCREPANCIES

6.1. Upon receipt of the Products, the Buyer shall promptly: (i) check the quantities and packaging; (ii) conduct a conformity check of the Products compared to the data indicated in the Order Confirmation; (iii) record any objections on the transportation document, having such notifications countersigned by the carrier.

6.2. Any claim by the Buyer based upon or relating to any defect declared in the Products ascertainable upon visual inspection, including any claim relating to size, type, quantity, or shipping damage, shall be communicated in writing to the Seller within 5 (five) days following the date of receipt of the Products by the Buyer.

6.3. Products to which objections shall not have been raised in accordance with the procedures and deadlines set out above shall be regarded as approved and accepted by the Buyer and SF will not be liable for possible damages, losses or theft of the Products occurred during transport, even if transport risks were, in whole or in part, borne by the Seller.

6.4. Minor discrepancies in the size, color and shape of the Products shall not entitle the Buyer to raise any claim against the Seller or to enforce warranty rights under these General Conditions or any other legal or agreed warranty.

### 7. COUNTRY LEGISLATION.

7.1. Based on Buyer’s country regulation, if particular documents (for example certification of origin) are needed in order to deliver the Products, the Buyer shall request SF such documents before the Order Confirmation is issued, since this may involve added costs.

### 8. APPROVAL OR LICENSE.

8.1. Based on Buyer’s country regulation, if any, the Buyer (not SF) has to deal with the approval and/or licensing to import the Products. Therefore, by issuing the order to SF, the Buyer confirms he is allowed to import and use the Products.

## **9. WARRANTY. LIMITATION OF LIABILITY.**

**9.1.** SF warrants that the Products shall be free from defects in material or workmanship or non-compliance with the technical specifications forwarded by the Seller for a **"Warranty Period"** of 12 (twelve) months from the date of delivery to the Buyer.

**9.2.** The warranty does not cover:

defects or damages caused by misuse, including but not limited to dents and breakages, usage not in compliance to the standard diligence required by the nature of the Products. Any alteration, change or replacement of parts of the Products, which has not been previously authorized in writing by the Seller shall release SF from any liability and make the warranty void;

normal parts of the Products subject to consumption;

defects of the Products ascertainable upon visual inspection, unless they are communicated in writing to the Seller within 5 (five) days following the date of receipt of the Products by the Buyer, according to art. 6 above;

**9.3.** Possible Hidden Defects must be communicated in writing within 8 (eight) days of the discovery and, in any case, within the Warranty Period. The notice shall clearly specify the kind and number of alleged Defects. The Buyer agrees to make the objected Products available for inspection by the Seller or an expert designated by the Seller and to provide the Seller with evidence of such defects.

**9.4.** During the Warranty Period, upon notification, SF will, at its sole discretion, repair or replace a defective Products. The Buyer will be responsible for returning the defective Products or their components. If the warranty claim is valid, the Seller will deliver the Products or components repaired or replaced at the place specified by the Buyer. All the costs (including but not limited to shipping cost, duties and customs) for the return of defective Products and the delivery of replaced or repaired Products will be borne by the Buyer.

**9.5.** The warranty referred to above is the sole and exclusive warranty provided by the Seller in respect to the Products. To the maximum extent permitted by applicable law, the Seller makes no other, and there is no other, warranty, representation, obligation or liability, express or implied, legal or otherwise, however arising (whether from contract, unlawful act, negligence, principles of producer responsibility, functioning of the law, conduct, declaration or otherwise) to the Buyer, and declines any warranty or implied condition of marketability or suitability for a particular purpose concerning the Products.

**9.6.** SF's liability to the Buyer, whatever the cause, shall be specifically limited to the purchase price of the Defective Products. The Seller shall not be liable for loss of profits or revenues, interruption of business, increase in operating costs, any special, consequential, incidental, indirect, or punitive damages or claims by Buyer's customers arising out of, or as the result of, the sale, delivery, late delivery, non-delivery, servicing, use or loss of use of the Products or any part thereof, or for any charges or expenses or nature incurred without SF's written consent, even if SF has been negligent, whether in contract, tort or other legal theory.

## **10. FORCE MAJEURE. COVID-19**

**10.1.** The Seller shall not be liable or responsible for failure or delay in performing or fulfilling any obligations undertaken with the Order Confirmation to the extent caused by a Force Majeure Event.

**10.2.** **"Force Majeure Event"** refers to any act or event that prevents the Seller from performing its obligations in accordance with the sale contract, if such act or event is beyond reasonable control, and not the result of fault or negligence of the Seller and SF had not been able to overcome that act or event by exercising due diligence. Subject to the foregoing conditions, the Force Majeure Event may include, but are not limited to, the following acts or events: **(i)** natural phenomena, such as storms, hurricanes, floods, lightning, and earthquakes; **(ii)** explosions or fires arising from lightning or other causes unrelated to Seller's acts or omissions; **(iii)** acts of war or public disorder, civil unrest, riots, insurrections, sabotage, epidemics, terrorist acts or rebellions; **(iv)** strikes or labor disputes; **(v)** action by a governmental authority, including a moratorium on any activity related to the sales contract; and **(vi)** the inability of the Seller, despite his commercially reasonable efforts, to obtain, in a timely manner, any government approval necessary to enable the Seller to fulfill its obligations in accordance with the purchase agreement, provided that the delay or inability to obtain such government approval is in no way attributable to SF and that it has exercised its diligent and commercially reasonable efforts to obtain such government approval.

**10.3.** In this case, the time for the fulfilment of Seller's obligations shall be extended for the continuation period of this Force Majeure Event.

**10.4.** Due to the current pandemic situation because of COVID-19, production, shipment and delivery timeline may vary because of causes that can't be controlled by the Seller. The Buyer is aware of this and accepts such timeline variations.

## **11. TERMINATION.**

**11.1.** SF may immediately terminate the sale contract with the Buyer, in writing, according to article 1456 of the Italian Civil Code in any of the following cases: **(a)** if the Buyer fails to pay the price of the Products pursuant to the terms and conditions provided for in these General Conditions and/or in the Order Confirmation; **(b)** if the Buyer appoints a trustee, receiver or custodian for all or any part of its property; **(c)** if a petition for relief in bankruptcy is filed against the Buyer; **(d)** if the Buyer makes an assignment for the benefit of creditors; **(e)** if the Buyer dissolves or liquidates all or a majority of its assets.

## **12. INTELLECTUAL PROPERTY RIGHTS. CONFIDENTIALITY.**

**12.1.** SF is the exclusive owner of the intellectual property rights concerning the Products, including but not limited to drawings, models, designs, trademarks, copyrights. Their notice or use by virtue of these General Conditions and the delivery of the Products shall not imply any transfer of such rights or grant to the Buyer any right or claim.

**12.2.** The Buyer undertakes not to carry out any act – including but not limited to copying or imitating the Products or any essential part of drawings, models, designs, trademarks – Incompatible with SF's ownership of intellectual property rights concerning the Products.

**12.3.** The Buyer undertakes: **(i)** to treat with the utmost confidentiality all the information, data and documentation – including, but not limited to drawings, designs, models, trademarks – transmitted by the Seller or it may come to know in connection with the execution of the sale contract, even if they are not marked or identified as secret or confidential ("**Confidential Information**"); **(ii)** not to, wholly or partially, disclose to or inform third parties of the Confidential Information, without Seller's prior written consent; **(iii)** to limit the use of the Confidential Information for purposes relating to the execution of the sale contract; **(iv)** to adopt any and all possible actions required in order for its employees and collaborators do not disclose the Confidential Information to third parties or use it in an inappropriate way.

**12.4.** The Buyer shall be liable for all damages and/or losses of the Seller arising out of its action or practice.

**12.5.** Such liability of non-disclosure of Confidential Information shall remain in force even if the underlying contract is terminated or ended-up for whatever reason.

## **13. NON-WAIVER.**

**13.1.** No delay or failure to exercise any right under these General Conditions will impair any such right or be construed to be a waiver thereof. No waiver of any right hereunder will be effective unless in writing signed by the Seller waiving. A waiver of a right on one occasion will not be deemed to be a waiver of such right on any other occasion. A waiver of a right on one occasion will not be deemed to be a waiver of any other right on that occasion.

## **14. SEVERABILITY.**

**14.1.** Should any provision of these General Conditions be deemed to be unenforceable, illegal, void, or voidable, these General Conditions will continue in full force and effect without such provision; the Parties will take such further actions and make such additional arrangements as are necessary to carry out the intended transactions contemplated herein.

## **15. GOVERNING LAW AND DISPUTE RESOLUTION.**

**15.1.** The validity, interpretation, and execution of these General Conditions and all the sale contracts that will occur on the basis of the same shall be governed by the laws of Italy, as applicable to contracts executed and wholly performed therein and without regard to international private law conflict rules. In no case the 1980 Vienna Convention on Contracts for the International Sale of Goods shall apply.

**15.2.** Any controversy, claim or dispute between the Parties concerning these General Conditions and all the sale contracts between SF and the Buyer shall be submitted to Italian jurisdiction and exclusively settled by the Court of Udine.