



Terms and Conditions of Service

1 General Aspects

- 1.1 These Terms and Conditions of Service apply to all present and future technical services provided by PAMA (the "Supplier") in relation to repairs, maintenance and other assistance ("assistance" or "repairs"), and to the supply of parts, under warranty or out of warranty.
- 1.2 Any terms and conditions of the Customer that may differ from, conflict with or oppose these Terms and Conditions, shall not apply under any circumstances. The assistance/repair service and/or the supply of parts is completed when the Supplier receives the Technical intervention request form (TIRF) requesting *on-site* intervention, or the purchase order (PO)/offer confirmation (OC) for the supply of parts and refurbishment, which the Customer may send by post, fax or email, except where the technical issue is resolved over the phone (or via remote assistance), using the Supplier's *Hotline* Service. The Parties may only vary the terms and conditions in writing. Even if some of the conditions are varied, the parts which have not been amended will remain in full force and effect.

2 Definitions and interpretation

- 2.1 Except where defined otherwise in these Terms and Conditions, the following terms shall have the following meanings:
 - Separate Agreement: a specific, separate agreement between the Supplier and the Customer governing the supply of goods or services, which vary these Terms and Conditions or integrate them, as specified in the Separate Agreement.
 - Goods: the raw materials, components, accessories, tools, equipment and spare parts delivered by the Supplier to the Customer;
 - Delivery schedule: for each request for materials, a written schedule sent by the Supplier in accordance with these Terms and Conditions, by email or certified email, specifying - based on the communication received from the Customer - the delivery dates and quantities of Goods to be supplied during the period of time stipulated in the schedule, excluding any ancillary charges (transport and packaging), which will be billed on the invoice unless agreed otherwise;
 - Intervention schedule: for each request for service, whether under warranty or not, a written schedule sent by the Supplier in accordance with these Terms and Conditions, by email or certified email, specifying - based on the machine serial number - the type of service provided (guarantee or payment), the start date, and the estimated duration of the works;
 - Balance sheet: a binding contractual document based on the technical services rates already sent to the Customer and accepted by the Customer with the TIRF/RFS/RR, sent by the Supplier to the Customer, on completion of all non-warranty works, summarising the costs incurred for those works. The balance sheet always includes the costs invoiced by the Supplier to the Customer for the transfer of PAMA technical personnel to and from the Customer's site, or to and from the site where the personnel are required to provide the requested maintenance services. The hours billed will be those stated on the final service report, including the return journey times, which will be added by the technicians on their return to the office. Unless agreed otherwise, the total journey times and mileage will be calculated from Pama S.p.A.'s head office in Rovereto, and the return journey. The costs of overnight accommodation will be charged to the Customer.
 - Contract: means the contract made in accordance with these Terms and Conditions between the Supplier and the Customer for the services stated on the Technical intervention request form (TIRF)/Request for Spares (RFS)/Refurbishment Request (RR);
 - Estimated Duration: the minimum period of time that the Supplier considers necessary to obtain the knowledge needed to identify a technical issue and/or fault that was unknown at the time of the service request and its resolution and/or elimination where possible. As the Estimated Duration is formulated on the basis of a preliminary estimate, it is never a contractual obligation for the Supplier. If the



Estimated Duration is exceeded, the Supplier can never be held liable, not even for compensation;

- Force majeure: indicates an event or series of related events (natural disasters or catastrophes, civil unrest, terrorism, mass contamination, political or financial crisis) which is/are beyond the control of the parties and which significantly and adversely affect(s) the parties' ability to fulfil their respective obligations under the Contract. Strikes are also considered an event of force majeure if they are at national level.
- Incoterms[®]: whenever, in these Terms and Conditions, reference is made to an Incoterms[®] rule, this reference must be understood as exclusively related to the Incoterms[®] 2020 (*International Chamber of Commerce - Publication 723E*);
- Technical Information: all types of technical or technological information, models, drawings, designs and/or samples that the Customer is required to provide to the Supplier for the design, verification, repair and/or production of Goods;
- IPR: any form of intellectual and industrial property, including but not limited to patents, utility models, commercial and service marks, brand or firm marks, domain names, rights to projects, data, information, methods, processes, drawings, texts, images, software, photographs, semiconductor topographies, databases, commercial secrets and know-how, and, for registered industrial property rights, all the registration applications;
- Pama Machinery: indicates any equipment, machines, accessories or software supplied by PAMA and forming the object of a request for assistance;
- Operational Machine: means any equipment, machine, accessory or software supplied by PAMA and forming the object of a service provided under these Terms and Conditions, which has been declared operational and able to restart work by the Supplier's specialist personnel sent to the Customer's site. PAMA personnel may add notes and/or specific recommendations to the declaration of "Operational Machine".
- Technical intervention request form (TIRF)/Request for Spares (RFS) / Refurbishment request (RR): a document requesting servicing, substitution or repairs for PAMA machines/parts of PAMA machines, or an offer for the supply of services or specific quantities of Goods sent by the Customer to the Supplier and covered by these Terms and Conditions;
- Rental head: the mechanical component sent to the Customer by the Supplier at the request of the Customer, as a temporary replacement for the same component sent by the Customer to the Supplier for refurbishment, or the mechanical component sent to the Customer by the Supplier, at the request of the Customer for a specific activity to be carried out at the site of the Customer;
- Refurbishment quotation for each request for refurbishment, exclusively under payment, a written schedule sent by the Supplier in accordance with these Terms and Conditions, by email or certified email, specifying - based on the examination of the damages of the part received at the Supplier's site - the cost of the works of refurbishment, which includes the cost of the components to be replaced, and the estimated duration of the works of refurbishment, excluding any ancillary charges (transport and packaging) which will be billed on the invoice unless agreed otherwise;
- Purchase Order: for each offer of parts or refurbishment sent by the Supplier or in relation to the balance sheet sent by the Supplier on completion of the work, the document prepared by the Customer and sent to the Supplier, detailing the type of service bought, and the costs, corresponding respectively to the offer and/or to the balance sheet. The Purchase Order is an administrative document of the Customer and the Supplier is not bound to use it, when issuing the invoices;
- Ready for Servicing: for each request for service, the status of the Customer's machine tool on which the Supplier is to carry out the maintenance/servicing/replacement works. It may indicate the inhibited operation of the machine tool, removal of the casing, preparation of the work area, provision of personnel, lifting gear etc. (non-exhaustive list).

2.2

In the terms and conditions, and for all contractual purposes, all references to:

- i. a Part refer to the Supplier and/or to the Customer (as the case may be);
- ii. Parties always refer to the Supplier and to the Customer.



3 Types of work

3.1 These terms and conditions apply indiscriminately to the following works:

- a) Transfer by the Supplier of Goods under warranty to the Customer, or to the party designated by the Customer.

This work consists of the dispatch by the Supplier to the Customer of the requested item or Goods without any costs being charged, as provided for in the applicable delivery terms. The Goods will be installed independently by the Customer. Goods identified as “consumables” or “wear and tear materials” are not provided under warranty;

- b) Transfer by the Supplier of Goods not under warranty to the Customer or to the party designated by the Customer.

This work involves the dispatch by the Supplier to the Customer of the requested Goods, with the charging of the costs stated in the offer accepted/confirmed by the Customer; the Customer will install the Goods independently;

- c) Supplier sends qualified personnel to the Customer's site to carry out works under warranty, with or without the transfer of Goods.

The works involve the Supplier sending its own specialist personnel to the Customer, together with the Goods if required, without charging any costs, as provided for in the applicable delivery terms, with or without consumables depending on the agreements. The Supplier's personnel will install the Goods independently and/or with the assistance of the Customer's personnel;

- d) Supplier sends qualified personnel to the Customer's site, to carry out non-warranty works, with or without the sale of Goods.

The works involve the Supplier sending its own specialist personnel to the Customer together with the Goods if required for the works (the Supplier's personnel will install the Goods independently, and/or with the assistance of the Customer's personnel); with the charging of the costs stated in the balance sheet (which summarises hours/services as per the list of tariffs and the cost of materials as per the price list), to be sent to the Customer on completion of the works;

- e) Customer sends the Supplier the Goods requiring refurbishment, to be carried out at the Supplier's site, with or without the transfer of the Replacement Equipment.

These works involve the Customer, at its own expense, sending the Goods owned by the Customer that require rectification, refurbishment, checking and/or other specialised processing which the Supplier can only carry out on its own site. Replacement equipment may or may not be sent to the Customer.

- f) Supplier sends qualified personnel to the Customer's site, to diagnose the origin of a fault that is no longer covered by the warranty period.

The works involve the Supplier sending its own specialist personnel to the Customer together with the Goods and consumables if considered necessary by the Supplier, to investigate the causes of a fault or malfunctioning of Pama Machinery. The works will be considered completed when the fault or malfunctioning is identified, or when the Customer sends a written request for the diagnostics procedure to be stopped. Any subsequent operations, if requested by the Customer, will amount to a new type of service, as referred to in paragraph d), and will require a new TIRF/Request for Spares (RFS) or Refurbishment request (RR). The costs of these works will always be billed to the Customer in the “balance sheet” which will be sent to the Customer on completion of the works. The costs include the costs of travel for the specialist personnel of the Supplier to and from the site of the Customer.

4 Export Control Compliance

4.1 Without prejudice to the preliminary checks at each Confirmation of Intervention by the Supplier relative to the extraneous nature of the good concerned by the request to the restrictions imposed by supranational organisations and sovereign states in regard to goods sold and/or delivered to any natural person or legal entity, enterprise or organisation in Russia and Belarus and to natural persons and legal entities directly and/or indirectly linked to such or for use in Russia and Belarus, the execution of any service provided in accordance with these Terms and Conditions of Service shall in any case be subject to the conditions continuing to be met that allowed for the Confirmation of



Intervention in the first place. Where such conditions should change at any time prior to the provision of the service, the latter may not be supplied.

- 4.2 Also with reference to third countries other than Russia and Belarus and natural persons and legal entities other than those established in Russia and Belarus, the Confirmation of Intervention is subject to the prior assessment that there have been no reports made against the Customer in the O.F.A.C. (Office of Foreign Assets Control) archives at the United States of America Treasury Department and that such Customer is not impacted by commercial restrictions imposed by the UN Security Council or European Union.
- 4.3 The onset, following the start of the Confirmation of Intervention, of any events and circumstances such as to determine deeds of imposition of the Public Authority that lead to situations similar to those coming under the hypotheses pursuant to Articles 4.1 and 4.2 of these Terms and Conditions of Sale, shall determine the suspension of the execution of the Service without consequences of any type in respect of the Supplier until such time as the situation that led to the suspension has ceased.

5 Terms of delivery and returns

- 5.1 The Transfer of goods by the Supplier will take place in accordance with the contents of the goods-ready notification. The return of any goods covered by these Terms and Conditions will always take place "FCA" (at the place stipulated by the Supplier). Only where expressly agreed, and depending on the nationality of the Customer, the Parties may agree different terms for return, potentially indicating the place agreed for the storage of the Goods. Any references to the International Commercial Terms provided for in the terms and conditions will conform to the "Incoterms®" of the International Chamber of Commerce, in the version in force at the time the Contract was made.
- 5.2 If, despite the chosen Incoterms® 2020 return, the Parties should agree that the Supplier shall stipulate, for and on behalf of the Customer, the transport contract and potentially also pay the costs in advance, all liability deriving from the transport contract, with no exceptions, and any expenses, as well as those relating to the cost of transport, as may be incurred for port storage, detention, demurrage, etc., which the Supplier should be called to repay as Customer of the transport contract, must be reimbursed by the Customer on the simple request of the Supplier with all and any objections hereby expressly waived with such additional services to be considered as merely accessory and coming under the scope of a mandate issued free of charge. All risk thus passes to the Customer, in accordance with the agreed delivery date.
- 5.3 The Goods ordered by the Customer will be delivered by the Supplier to the Customer together with packaging, if provided for in the contract or if considered appropriate by the Supplier, at its own discretion, in order to preserve the integrity of the Goods. However, no complaints may be made against the Supplier about inadequate packaging, unless specific written agreements have been made in this regard. The costs of any non-standard packaging (excluding cardboard boxes) will always be paid exclusively by the Customer.
- 5.4 For the services referred to in Article 3.1 *para. e*), the Customer will return the Goods to the Supplier under DDP terms, or DAP if the Customer is European. On completion of the works referred to in Article 3.1 *para. e*), the Supplier will make the goods available to the Customer in accordance with the terms provided for in Article 4.1. The terms for returning the Replacement equipment, where applicable, will be agreed specifically by the Parties.
- 5.5 If there is no specific agreement on the terms of return, the goods referred to in paragraph 4.4 will be returned Ex Works (place determined by the Supplier).
- 5.6 If the works requested from the Supplier require a specialist diagnosis of the causes of the fault, at the site of the Customer or at the site of the Supplier, the Intervention Schedule will not stipulate any date for the fulfilment of the services and/or the sending of the Equipment or Goods, with or without warranty. It will only indicate the start date of the diagnostics procedure, which - for the purposes of Customer billing - will start either:
- from the start date of the works, specifically the arrival of the PAMA technicians at the Customer's site, if the machine tool to be examined is in "Ready for Servicing" status;
 - from the time when, upon the arrival of PAMA technicians at the site of the Customer, the Customer's machine tool is declared "Ready for Servicing" by the PAMA



technicians. In such cases the Customer will bear the cost of the waiting time of the PAMA technicians;

- from the time when the accessories or other parts of the machine tool or Goods to be examined reach the site of the Supplier or any other site indicated by the Supplier;

5.7 In all cases where the Customer decides not to continue the work, following an examination of the damaged component by the Supplier at its own site, and after a Refurbishment offer has been sent to the Customer, the Supplier will return the dismantled, packaged component and will charge for the cost of the repairs (checking/dismantling), as quantified in the Refurbishment offer.

5.8 The Intervention Schedule does not bind the Supplier to keep to the works completion date, in all cases where the work of the Supplier's technicians is interrupted early, by a unilateral decision of the Customer or for reasons of force majeure. In such a case, the Supplier declines all liability for failure to keep to the terms of the Intervention schedule, which in any case are considered purely indicative.

5.9 If the Supplier, in fulfilment of its obligations, should send goods comprising spare parts to the non-EU Customer and the related customs export declaration is under the responsibility of the Customer, such Customer undertakes to present the goods to the customs office exiting EU customs territory within 90 (ninety) days of their acceptance for transport and to send a copy of the export declaration to the Supplier within 30 (thirty) days of when the goods leave such customs territory, together with the MRN number.

5.10 If the Customer should fail to respect the provisions of point 5.9, the Supplier may apply VAT and consider the sale as a domestic sale.

5.11 If the goods require an export licence, the Customer shall provide the Supplier with full details to identify the end user of the goods and/or in any case all information necessary to the Supplier to obtain the issue of the necessary licenses from the competent Authorities.

5.12 The Supplier shall never be considered as in default if the failure to obtain issue of export licences is caused by a lack of collaboration by the Customer.

5.13 The Supplier shall never be considered as in default if the failure to obtain issue of export licences is caused by a lack of collaboration by the Customer. The Supplier shall never be considered in default if the transport, where managed by PAMA S.p.A., becomes impossible and/or anti-economic and/or not timely due to lack of containers, loading slots, transport breakages, etc. In this case, the Supplier shall only be required to notify the Customer of the impossibility of making the transport in the agreed manner, instead agreeing with it on a different solution; in such cases, there shall be no application of penalties and/or claims for compensation made against the Supplier, under any circumstances.

6 Execution of requested services

6.1 Receipt of the TIRF/PO/OC by the Supplier does not bind the Supplier to complete the works. The Supplier's obligation only starts when the Supplier sends the Customer the Intervention schedule, or the Delivery Schedule, or the Refurbishment offer.

6.2 The Intervention schedule is binding on the Customer upon receipt, except where it is expressly rejected by the Customer. It can only be amended by written agreement. In such a case, the Supplier will send a new confirmation containing the agreed changes. Fulfilment of all or part of the services by the Supplier, or the absence of express refusal from the Customer in writing within 7 (seven) days from receipt of the Intervention schedule will result in its automatic acceptance.

6.3 The Customer agrees to have and keep adequate machinery, accessories and work areas to allow the Supplier to fulfil the requested services, and in any case to justify the Customer's requests in relation to the Goods referred to in the Intervention schedule. The machine tool and/or any accessories must be in non-operational mode. They must be suitably prepared, with casings removed. The whole work area must have already been prepared for the works, and the Customer's personnel, if required, must also be available. Any non-conformities in the machine tool and/or accessories in the "Ready for Servicing" status may, at the Supplier's sole discretion, result in all the deadlines stipulated in the Intervention schedule being disregarded. The Supplier declines all liability in this regard.



6.4 PAMA, at its sole discretion, after identification by the Customer of the machine or machine part to be worked on, and identification of the problem, will decide the Estimated Duration, type of works, Equipment or Goods to be repaired, refurbished and/or replaced, whether under warranty or not, and the number of technicians to be sent to the Customer, their qualifications and duties, and the quantification of the costs of these services;

7 **Warranty period**

7.1 PAMA warrants that the Goods, as supplied:

- i. comply with all the laws and regulations applicable in the relevant retail markets;
- ii. are free from any flaws or defects and comply with the specifications, drawings, descriptions, designs or samples as provided or specified by the Supplier (including the Technical Information);
- iii. are suitable and fit for the agreed use.

7.2 Any defects in new Goods supplied in accordance with the Terms and Conditions will be covered only by a warranty for mechanical and electrical faults in the Goods, for a period of 12 (twelve) months after delivery. Partial or full substitutions or repairs of the Goods or of machine components will not lead to any extension in the term of the original warranty on the Customer's machine. In the case of servicing of accessories/machine parts, the 12 (twelve) month warranty on the replacement parts also extends to the refurbishment and reconditioning of the part, but only where such work is done by PAMA technicians commissioned by the head quarter or subsidiary.

7.3 The warranty, at the sole discretion of the Supplier, covers the repair or replacement at the Supplier's care and expense, of the structural parts and other components of the Customer's machine-tool which are found to be broken or defective due to original defects. Under no circumstances will the warranty be considered operative if the Customer has not used the machine tool and/or the accessories in accordance with the instruction manual and the intended use.

7.4 The warranty refers to individual structural parts of the machine tool but does not cover wear and tear parts or consumables.

7.5 The warranty will be invalidated in any event, if (i) modifications were made to the Goods or to the machine tool and/or its accessories without the written consent of the Supplier, (ii) the breakage of the machinery and/or accessories and/or Goods is due to improper use (iii) previous works were carried out on the machine tool or parts of it, by personnel who were not authorised by the Supplier.

7.6 This warranty always excludes, with no exceptions, any further damage including damage due to non-production or reduced production, as well as indirect or consequential losses or termination of the contract for sale/purchase of PAMA Machinery.

7.7 The Supplier declines all liability for any damage of any kind that may derive from improper use, poor maintenance and/or behaviours that do not conform to the contents of the use and maintenance manual.

7.8 The warranty is subject - under penalty of forfeiture - to defects or poor quality being reported in writing by the Customer to the Supplier within 8 (eight) days from the date of discovery by the Customer, and to a written request being sent to the Supplier, for works under warranty.

7.9 This warranty excludes the application of any other remedy in favour of the Customer (including but not limited to any other legal or contractual warranty)

8 **Specific equipment and materials (replacement equipment and manuals)**

8.1 If the Supplier provides or subsequently makes available to the Customer any accessories, equipment or Goods which are considered instrumental to the requested services (for example replacement equipment, equipment for geometric measuring), the following provisions will apply:

8.2 Any accessory, equipment and/or Goods provided to the Customer will remain the exclusive property of the Supplier. The Customer will be responsible in the case of loss, destruction or damage. The Customer must:

- i. log and mark such components as belonging to the Supplier;



- ii. provide adequate insurance cover if requested by the Supplier, against the risks of fire, theft, vandalism, natural disaster, unauthorised modifications and other insurable risks, or loss or damage;
- iii. keep the components with the utmost care, and carry out ordinary maintenance if requested or indicated by the Supplier;
- iv. not transfer the components outside of the Customer's production site nor use them for reasons other than fulfilment of the Contract;
- v. pay the Supplier the hire charges for such components if agreed, or, in the case of a request for purchase after a loan, pay the price stipulated by the Supplier;
- vi. return the components to the Supplier at the end of the agreed period of use, in the same condition in which they were received (subject to natural wear and tear due to normal use within the period in question), and in accordance with the terms of delivery in Article 4.4. If the components are returned in a different condition, or if they are damaged and/or cannot be used, the Supplier must report to the Customer in writing within 14 working days from the date of return, on the condition of the equipment or components referred to in this Article 7. The Customer shall have a period of 30 (thirty) days from receipt of the communication from the Supplier, to hold an inspection jointly with the Supplier on the condition of the goods. Following the inspection, compensation for any damage must be reimbursed, or the price of the equipment or the Goods that were not returned intact must be paid. The inspection will last no more than 10 days. The Customer may attend the inspection with its own technicians. If the Customer does not attend the inspection, the Supplier's conclusions about the condition of the components will be deemed to be accepted, and the resulting costs of reconditioning will also be accepted.

8.3 Under no circumstances may the hiring by the Supplier of any accessories, equipment and/or other items which are necessary for the requested services or for the Customer's production requirements be covered by the services that the Supplier is obligated to provide during the term of the warranty, if such supplies, for commercial reasons, are granted free of charge to the Customer.

8.4 The user manuals for the equipment and goods sold by the Supplier, or the CE certifications for machinery and accessories supplied by PAMA will accompany the Goods only if they were sold directly by the Supplier to the Customer or if they were serviced or modified personally by the Supplier. Under no circumstances may the Customer obtain from the Supplier - who is always at liberty not to supply - manuals for machines or parts that have been the subject of modifications or variations not carried out directly by the Supplier or that were not authorised by the Supplier. The Customer may in any event ask the Supplier to perform a paid inspection, in order to check the conformity of the machine and/or the accessory to the original manufacturing specifications;

9 Supplier's liability

9.1 The Customer acknowledges and accepts that all reconditioning, repair, refurbishment or replacements carried out by the Supplier under these Terms and Conditions may lead to breakage, damage and/or faults in the Equipment and/or in the Goods, even if not supplied by PAMA and owned by the Customer, such as other machines, industrial sites or equipment. In such cases the Supplier shall, where its responsibility is not disputed, only repair the damage caused to the equipment or goods owned by the Customer, with the express exclusion of any further direct and/or indirect liability for downtime, loss of business opportunities or failures to fulfil contracts already agreed by the Customer with third parties.

9.2 In all such cases, where the planned works are carried out independently by the Supplier's specialised technicians on the Customer's site, the Supplier, contractually, only accepts the responsibilities indicated in the foregoing paragraph 8.1. If, at the request of and/or after a decision by the Customer, the Supplier's technicians carry out the works under the direction of the Customer's personnel, no responsibility may be attributed to the Supplier for the damage referred to in Article 8.1.

9.3 If the Supplier, during the course of the works and except in the cases provided for in Article 4.6, finds that the problem or fault cannot be resolved by the deadline indicated in the TIRF/PO/OC or within the Estimated Duration, the Supplier must provide a written communication to the Customer, detailing the reasons why the works need to be



extended, or why the desired result cannot be achieved. In such a case the Customer may interrupt the works and pay for the work completed until that time. After the works have been interrupted, PAMA has the right to issue an invoice for the completed services.

9.4 The Supplier is not liable for any direct or indirect damage or injury to persons or property of the Customer or third parties deriving from Equipment and/or Goods that have been modified, refurbished, repaired or rectified by technical personnel who are not part of the Supplier's organisation or who have not been authorised in writing by the Supplier.

10 Final service report (payment/warranty), cost accounting for paid services, billing

10.1 In all cases where the provision of services under these Terms and Conditions requires the Supplier to send specialist personnel to the Customer's site, upon completion of the works, or if they are terminated early at the request of the Customer, the Supplier's specialist personnel will complete a detailed report on the works performed on the machine tool, which may or may not contain a list of repaired parts and/or substituted parts (but in any case these will be detailed in other documents such as the delivery note), together with an "Operational Machine" declaration that the Customer is required to sign for acceptance. Even if the declaration is not signed, on completion of the work the Supplier will send the Customer a copy of the report which, unless there are justified technical observations made by the Customer, sent in writing within 2 days from conclusion of the works, will be binding on the parties and will be proof that the works were completely successful.

10.2 Where the Customer sends the Supplier a purchase order (for refurbishment, the purchase of materials or assistance), the invoice will be issued immediately on completion of the works described as contained in the purchase order. No balance sheet will thus be sent.

11 Force majeure

11.1 Causes of force majeure shall be the onset of events or circumstances that prevent or preclude the Supplier from fulfilling one or more of its contractual obligations in compliance with these General Conditions if and insofar as the Supplier can prove that:

(a) the impediment is beyond its reasonable control; and

(b) the situation could reasonably be foreseen at the time the contract was stipulated; and

(c) the effects of the impediment could not reasonably have been avoided or overcome by the Supplier

11.2 If the Supplier fails to fulfil one or more of its contractual obligations due to breach by third parties that it has appointed for the total or partial execution of the contract, the Supplier may claim force majeure only to the extent to which the requirements pursuant to paragraph 9.1 of this Article have been satisfied, both for itself and for third parties.

11.3 For lack of any evidence to the contrary in charge to Customer, it is assumed that the following events shall meet the conditions (a) and (b) of paragraph 11.1, hence the Supplier shall only need to prove that condition (c) of paragraph 11.1 is met: war (declared or otherwise), hostility, invasion, acts of foreign enemies, extensive military mobilisation, civil war, disturbances, rebellion and revolution, establishment of a military power or usurpation of power, uprising, acts of terrorism, sabotage or piracy, currency, commercial and customs restrictions, embargoes, sanctions, lawful or unlawful acts by authorities, acts in respect of government provisions or laws, expropriation, seizure of works, requisition, nationalisation, plagues, epidemic, natural disasters or extreme natural events, explosion, fire, destruction of equipment, prolonged interruption of transport, telecommunications, information systems or energy, general disturbances of work such as boycotting, strikes, sit-ins, go-slow working and occupation of factories and premises.

11.4 If the Supplier is entitled to apply this clause of force majeure, it shall be exonerated from the obligation to fulfil its contractual obligations and from all liability for damages or any other conventional remedy for impediment when the impediment makes it impossible to fulfil and until such time as the impediment ceases. Without exception, in this case, the application of penalties and/or claims for compensation against the Supplier are therefore excluded.



12 Price, transport notes, payment

- 12.1 For the supply of goods, the prices stated in the Offer sent by the Supplier at the Customer's request are fixed and may not be changed. They do not include VAT nor any present or future costs of packaging, loading, insurance and/or storage of the Goods, unless otherwise agreed. Further, they do not include any shipping or transport costs, or any administrative fees or taxes if the Supplier accepts the obligation to acquire the goods on the Customer's behalf without accepting any liability. Such charges will be billed at cost, in the invoice.
- 12.2 For all refurbishment/reconditioning of machines, parts or accessories, after the part has been received at the Supplier's site, the Supplier's technicians will dismantle the component to assess the amount of damage or to estimate the timeframe and components needed to recondition the part as requested by the Customer. These works will be reported in the Refurbishment offer, for which the prices are fixed and may not be changed. They do not include VAT nor any present or future costs of packaging, loading, insurance and/or storage of the Goods, unless otherwise agreed. Further, they do not include any shipping or transport costs, or any administrative fees or taxes if the Supplier accepts the obligation to acquire the goods on the Customer's behalf without accepting any liability, unless indicated otherwise.
- 12.3 For all on-site assistance on machines, parts and accessories carried out at the Customer's site, with or without the use of materials, the prices indicated in the balance sheet sent by the Supplier to the Customer on completion of the works are fixed and may not be changed. They do not include VAT, but they do include any present or future costs for the transfer of technical personnel and the supply of the related materials, where applicable.
- 12.4 The Goods must be accompanied by a transport note containing all the information and details necessary for the stipulation of the shipping and/or transport contract.
- 12.5 The payments will be made by bank transfer (collection order or wire transfer) by the deadline stated on the invoice, except where other forms of payment are agreed separately in writing.
- 12.6 In the case of a request for advance payment or if there is late payment and/or non-payment of the amount due for the Supplier's services, or if bank guarantees are not granted, the Supplier may suspend the execution of the planned works until the irregularity has been remedied. If the Supplier exercises this right, it may not be held liable towards the Customer for any losses, including indirect losses or production stoppages. In the case of outstanding payments, also from previous works, the Supplier always has the right to stop the current works or to refuse new jobs until the irregularity has been resolved.

13 Indemnity and insurance

- 13.1 The Customer shall indemnify and compensate the Supplier on request, for:
- i. any liability, loss, damage or expense (including, without limitation, legal and experts' costs) and any other costs relating to any breach or non-observance of these Terms and Conditions by the Customer;
 - ii. any claim the Supplier may incur as a result of death or injury to any person, or damage or loss to any property resulting from any act, omission or negligence activity of the Customer (or of anyone acting on its behalf).
- 13.2 The Supplier may ask the Customer to provide insurance cover to guarantee the requested services.

14 Technical information and IPR

- 14.1 Any Technical Information and IPR is/are and shall remain the sole property of the Supplier and may be used by the Customer for the duration of the Contract, exclusively in order to utilise the machine tool and Goods supplied by the Supplier, with the exclusion of any other purpose or objective.
- 14.2 The Customer shall:
- i. keep the Technical Information confidential and shall not infringe any IPR of the Supplier by circulating, reproducing and/or disclosing it to any third party, under penalty of paying compensation for any losses;



- ii. not reproduce or allow third parties to reproduce any Technical Information or any Equipment or Goods covered by IPR, except within the limits expressly authorised by the Supplier, under penalty of paying compensation for any losses.
- 14.3 The Customer shall not in any case disclose or otherwise make accessible to any third party any information at any time or in any form (including the Technical Information) that the Customer may have acquired or which it otherwise has access to as a result of the execution of the Contract, or in relation to the same.
- 15** **Miscellaneous**
- 15.1 The Customer shall ensure that its subsidiaries, employees, agents and other representatives as well as its own Suppliers and sub-Suppliers fulfil the obligations and restrictions contained in the Contract.
- 15.2 Any derogation or amendment must be made in writing as a hard copy, stating as the object and/or heading the following words: "Amendments to the Terms and Conditions". The original copy is to be signed by both parties. The document must expressly state the full text of the clause to be amended, and the text of the clause after it has been amended.
- 15.3 No delay in the exercise of, or the non-exercise by the Supplier of any right, entitlement or safeguard under the terms of the Contract may limit or otherwise amount to a waiver or loss of said right, entitlement or safeguard.
- 16** **Data protection policy**
- 16.1 As required by Italian data protection laws, the Supplier hereby informs the Customer that its personal data (general details, identification data, fiscal and financial data) pertaining to legal persons forming relations with the Supplier, and the personal details of individuals acting on its behalf, will be collected, recorded, re-ordered, stored and processed for administration and accounting purposes. This relates in particular to the following activities: management of orders and invoices; stipulation of contracts; administration of Customers and Suppliers; fulfilment of contractual or legal obligations. The data may be disclosed to third parties for the purposes for which it was collected and stored.
- 16.2 Further information about the processing of personal data by the Supplier is available at <https://pamamachinetools.com/privacy-policy/>. The Customer confirms that it already had full knowledge of that information when it sent the SRF/Sale offer/Service offer.
- 16.3 The above information is a data protection policy as required by the above-mentioned laws, and the Customer hereby provides consent for all legal purposes to the processing of its data by the Supplier.
- 17** **Forum and applicable laws**
- 17.1 Any dispute relating to the validity, invalidity, termination, interpretation and application of these terms and conditions, or any dispute that relates directly or indirectly to these Terms and Conditions and/or the Contract, shall be resolved amicably by direct negotiations between the parties, in good faith; if no amicable agreement can be reached within 15 (fifteen) days from the date of notice of termination sent by one party to the other, the Court of Milan shall have sole jurisdiction.
- 17.2 This Agreement is governed by the laws of Italy.

Rev. 003 – Valid from May the 1st, 2023.