

1 - General information

These General Terms and Conditions apply to the contractual relationship between Castello Italia S.p.A. a company registered under the laws of Italy under number of 2055506 in Milano, with registered offices located at Via Fratelli Gabba n. 1/A – 20121 MILANO, Italy, (hereinafter, the "Supplier" or "Castello Italia") and any customer willing to purchase Products (hereinafter, the "Customer"). Castello Italia and the Customer are referred to individually as the "Party" and collectively as the "Parties".

The Customer's general terms and conditions, if so expressly agreed in writing by Castello Italia, can apply in addition to the present General Terms and Conditions, insofar as the Customer's general terms and conditions are not in contradiction with these ones and comply with applicable contract law and competition law.

The present General Terms and Conditions apply to all contracts, orders and open orders between the Supplier and the Customer.

It is expressly agreed that all references to Customer's documents on any documents, including on an Internet site, referring to another document, shall not be enforceable against Castello Italia without its written and prior agreement.

Any derogation to the present General Terms and Conditions shall be confirmed in writing.

The term in "writing" means any document drawn up on any paper, electronics medium or by fax.

Conversely any order or any acceptance of the products supplied by Castello Italia (hereinafter, the "Products") constitutes full and entire acceptance of these General Terms and Conditions and all the terms of the Castello Italia's offer including the PPAP where applicable.

Agreed PPAP means: (i) all of the Customer's written requirements specifically accepted in writing by Castello Italia relating to the Product, (ii) the Castello Italia's document validated by the Customer containing the characteristics defined as functional with indication of the measurement and testing resources used. The first order from the Customer shall be considered as an acceptance of last PPAP File provided by Supplier, in case of non receipt of the PSW approval.

2 - Contractual Documents

The following documents are part of the contract between the Parties (hereinafter, the "Contract") in the order shown below:

- (i) The present General Terms and Conditions;
- (ii) The Quality Agreement of Castello Italia;
- (iii) The Logistics Agreement of Castello Italia;
- (iv) The Castello Italia's offer (hereinafter, the "Offer") accepted by any means, in particular by acknowledgment of receipt;
- (v) The PPAP completing the present General Terms and Conditions, if applicable;
- (vi) The delivery order;
- (vii) The invoice.

The following documents are not part of the Contract: documents, catalogues, advertising, "Written" fees not mentioned and not expressly agreed by the Parties in the particular conditions.

3 - Method used to place Orders

The Contract is formed and valid only after:

- Castello Italia issue a document named Order Acknowledgement, which resumes the conditions on which the Parties agree (hereinafter the "Order Acknowledgement"); or
- In the absence of an Order Acknowledgement, only the order issued by the Customer (hereinafter, the "Order") expressly accepted by Castello Italia binds the parties.

Any Order expressly accepted by Castello Italia, whether closed or open, will be deemed to entail the Customer's acceptance of last Castello Italia's Offer.

Any request of the Customer to place and recover its Orders via a portal or any other means shall be subject to the prior written agreement of Castello Italia. In any event, even though Castello Italia would have accepted this practice, the Customer will have to make sure that Castello Italia received and recovered the aforementioned Orders. In this respect, in the absence of verification by the Customer, Castello Italia will not be held liable.

3.1 - Closed Order

The closed Order specifies the quantities, prices and timeframes in a closed manner.

3.2 - Open Order and Program of delivery

The open Order must satisfy the following conditions:

- It is limited in time by the agreed timeframe; and
- It defines the Product's characteristics and prices; and

- Minimum and maximum quantities and frequency of deliveries are stipulated at the time of the open Order's conclusion; and
- If the Parties agree on an execution timeframe but not on frequency of delivery, the Customer will send a call for deliveries in writing with a minimum prior-notice period of fourteen (14) days.

If the corrections to the forecasted estimates expressed by the Customer deviate of more than 20% upward or downward of the amount of the said estimates, Castello Italia evaluates the consequences of these variations.

In the event of a variation whether upward or downward, the Parties must meet to find a solution to the consequences of this variation, which could modify the Contract's balance to Castello Italia's detriment. In the event of variation upward, Castello Italia will make all its reasonable efforts to fulfil the request of the Customer within quantities and times compatible with its capabilities (production, transport, subcontracting, human capabilities, financial capabilities etc).

3.3 - Amendment of the Contract

Any modification to the Contract requested by the Customer is conditional upon Castello Italia's prior express and written acceptance.

3.4 - Customer's Termination of the Contract or Order

The order expresses the Customer's irrevocable consent; Customer shall not terminate the Contract and/or any Order without the prior, written and express consent of Castello Italia. In this case, the Customer shall indemnify Castello Italia for all of the expenses incurred (in particular specific equipment, research's costs, labour's and supplying's expenses, tooling) and for all direct and indirect consequences resulting thereof. In addition and in any event, the deposit already paid shall be retained by Castello Italia.

4 - The Order's preparatory and ancillary work

4.1 - Plans, researches, descriptions

All the technical plans, descriptions, documents or quotations given to the Customer are communicated within the framework of a loan for use whose sole purpose is the evaluation and the discussion of the Offer of Castello Italia. They will not be used by the Customer for any other purposes. Castello Italia keeps all of the material and intellectual property rights on the documents loaned to Customer. These documents shall be sent back to Castello Italia upon first request of Castello Italia.

4.2 - Handing-over of samples

The samples or prototypes transmitted to the Customer are covered by a strict confidentiality. Samples may only be furnished to a third party with Castello Italia's prior express and written authorisation.

4.3 - Conservation of tooling

The expenses incurred by Castello Italia for the research, the design and development of tooling and the adjustment of manufacture shall be the subject of the Customer's financial participation. The Customer's participation in tooling expense shall not entail any transfer of material or intellectual property rights or know-how.

Tools which are designed by Castello Italia and adjusted to its methods and its equipment shall remain Castello Italia's sole property.

5 - Characteristics and status of the Products

5.1 - Usage of the Products

The delivered Products shall comply with the PPAP/Offer at the time of delivery in accordance with the Incoterms (see Article 7.5 - Reception) and with the technical regulation and the technical standards as mentioned in the PPAP/Offer.

The Customer is responsible for ensuring that the Product is used in normal foreseeable conditions of use and in accordance with safety and environmental legislation in effect at the place of use, as well as with industry practice.

The Customer is solely responsible for determining whether such Product is fit for a particular purpose and suitable for Customer's method of application.

Unless express provision mentioned on the Product, the delivered Product shall not be intended to be put in use for medical or food aeronautical purpose.

5.2 - Packing of the Products

Packages not consigned shall not be taken back by Castello Italia. The Customer undertakes to dispose of packages in accordance with applicable environmental legislation.

5.3 - Transmission of the information concerning the Product

The Customer undertakes to transmit to any sub-buyer any information that is useful to using the Product. Castello Italia shall be

responsible for the Product's traceability, up to the date of delivery to the Customer.

6 - Intellectual property and confidentiality

6.1 - Intellectual property and know-how

All drawings, know-how, designs, specifications, inventions, devices, developments, processes, copyrights, trademarks, patents and applications therefore, and other information or intellectual/industrial property whether registered or not, disclosed, handed over or otherwise provided to the Customer by the Supplier and all rights therein shall be collectively referred as "Intellectual Property" of the Supplier.

Intellectual Property will remain the property of Supplier and shall be kept confidential by Customer in accordance with these Terms and Conditions. Customer shall have no claim to, nor ownership interest in, any Intellectual Property and such other information, in whatever form and any copies thereof, shall be promptly returned to Supplier upon written request from Supplier. Customer acknowledges that no license or rights whether express or implied of any sort are granted to Customer hereunder in respect of any Intellectual Property, other than the limited right to use the Supplier's proprietary Products purchased from Supplier. Unless specifically provided for and itemized for payment as agreed to by Supplier, the sale of Products or services by Supplier to Customer does not include any design, development or related services associated with the Intellectual Property of the Supplier.

Mentioning, incorporating of the Customer's title block, or any other Customer's detail in the drawing shall not be construed as any assignment whatsoever to the Customer of any Intellectual Property and/or know-how rights attached the drawing and the norms shown in the Customer's title block shall not in any case represent, or be interpreted as an endorsement by Castello Italia.

6.2 - Confidentiality

The Parties enter into with one another a general obligation of confidentiality concerning the components (documents on any media whatsoever, discussion reports, plans, exchanges of computerised data, etc.) exchanged within the framework of the Contract preparation and implementation.

However, the following information shall not be subject of an obligation of confidentiality:

- information belonging to the public domain at the time of the conclusion of the Contract;
- all information that is already lawfully known by a Party prior to the conclusion of the Contract, or prior to the preliminary works to the conclusion of the Contract.

These stipulations shall not impede or limit Castello Italia's option to use its Intellectual Property, know-how and its own technology developed during the Contract, in the absence of a specific agreement concluded between the Parties. These provisions shall not impede or limit Castello Italia's option to protect its achievements.

6.2.1 Personal Data Protection

The Customer declares that he/she has read the Castello Italia privacy policy and understood its contents.

6.3 - Guarantee in the event of infringement

When Intellectual Property, design, drawing, technical information ("Data") is provided by the Customer, the Customer guarantees that such Data and their use do / will not infringe third party intellectual/industrial property rights or know-how. Customer further warrants that Castello Italia can use the Data freely without infringing a contractual or legal obligations of a third party.

The Customer shall hold Castello Italia harmless from direct or indirect consequences, including but not limited to any civil liability proceedings or criminal liability proceedings, resulting from infringement or unfair competition proceedings.

When Intellectual Property rights are owned by Supplier, it warrants that the Products manufactured under the Contract do not directly infringe any third party intellectual property rights published at the time of the Supplier's Offer and in the place of production. If a claim under this section results, or is likely to result, in an injunction or other order that would prevent Supplier from supplying or Customer from using Products for their intended purpose, Supplier will at its option and expense either (i) secure a license of the Intellectual Property right that permits Supplier to continue supplying the Product to Customer, or (ii) modify the Products so that they become non-infringing, or (iii) replace the Products with non-infringing but practically equivalent Products.

Supplier will have no liability under this section unless Customer provides Supplier with full information, cooperation, and assistance regarding, and authority to defend, a claim covered by this section. Supplier will have no liability under this clause if and to the extent that a claim of infringement is based on (1) a Product's modification made by Customer or a third party, (2) a Product's modification made by Supplier at Customer's request, (3) use or interconnection by Customer of the Product in combination with other products not made or sourced by Supplier.

7 - Delivery, transport, inspection and acceptance of Products

7.1 - Delivery timeframe

The delivery timeframe shall commence as of the latest of the following dates:

- the date of the Order's Acknowledgment,
- the date of receipt of all of the materials, equipment, tools, and execution details due by the Customer,
- the fulfillment date of prior contractual or legal obligations due by the Customer.

The agreed delivery time is an important element which is indicated in the Offer and confirmed by the Order's Acknowledgment. However, delivery dates or times stipulated are indicative and given for information purposes only and can be amended by Castello Italia before the Order acknowledgement or after, if circumstances that are beyond Castello Italia's control occur.

7.2 - Delivery terms

The risks are transferred to the Customer upon delivery (as defined in the applicable incoterms® ICC 2020), without prejudice to Castello Italia's right to rely on the benefit of the reservation of title clause or to make use of its right of retention.

The delivery is carried out in accordance with the Incoterms (2020).

In the event that the Customer has the initiative of the transport and bears the transport's cost, the Customer shall be responsible for all financial consequences for direct action of the carrier against Castello Italia.

7.3 - Transport, customs, insurance

Unless otherwise agreed (including but without being limited to the application of an Incoterms® ICC 2020), all operations involving transport, insurance, customs, maintenance, and bringing to the site shall be carried out and paid by the Customer, at its own risk. The Customer shall be responsible for the Legal Acceptance (as defined hereunder) and for exercising, if need be, remedies against carriers, even if shipping has been done carriage free.

In case of extra- or intra-community deliveries, the Customer acknowledges that the Italian tax regulations require Castello Italia to provide evidence for any invoicing excluding VAT. As such, where applicable, the Customer undertakes to return to Castello Italia, after each delivery, the transport document or the customs export declaration as appropriate. Failing to receive these documents, Castello Italia reserves the right to pass to the Customer the costs of the fine Castello Italia may support because of the absence of such evidence.

7.4 - Inspection and Legal Acceptance of the Products

The Customer must, at its expense and under its responsibility, inspect or make inspected the Products and check:

- upon the delivery: visible defects, quantity and correspondence of the Products to the delivery note;
- the Product's conformity to the PPAP drawing where applicable or technical standard stated in the Offer.

(hereinafter, the "Legal Acceptance").

7.5 - Reception

The Customer is required to carry out the Legal Acceptance of the Products as follows:

- Customer inspects the Products upon their delivery in order to check the Products as packaged for visible defects (such as damaged packaging) and for any defect in quantity, as defined in the delivery note. Any non-conformity shall be notified by Customer to Castello Italia within a maximum delay of five (5) days from the date of delivery;
- Customer inspects the Products delivered as soon as possible after the delivery in order to acknowledge Product's conformity with the PPAP drawing or technical standard stated in the Offer. If the Customer does not inspect the Products as defined here above, the Customer shall conclusively be deemed to have accepted the Products and performed the Legal Acceptance without any reservation.

7.6 - Handling and storage

The Customer shall respect the recommendations relating to storage and handling including, but not limited to, reconditioning of pallets, change of conditioning by the non-utilization of the Products fallen on the ground, or the inventory turnover to ensure the availability of the last index in force of the modification of the Products.

8 - Case of hardship and force majeure

8.1 - Clause of hardship

The Parties recognize that the Castello Italia Offer constitutes a reasonable and equitable basis of their co-operation. If the data and circumstances on which the Contract is based are modified with the result that Castello Italia encounters serious and unforeseeable difficulties in performing the Contract, for instance if events have rendered Castello Italia's performance more onerous than could reasonably have been anticipated at the time of the conclusion of the Contract, then Castello Italia, after prior written notification, will make the adjustments, which are necessary in consequence of the circumstances and which were not reasonably foreseeable at the time of the Offer, in order for the Contract to be balanced, and if these adjustments cannot be reasonably made, Castello Italia has the right to terminate the Contract.

8.2 - Force majeure

The occurrence of an event of force majeure will lead to the suspension of Castello Italia's obligations for the performance of the Contract and with regard to the Customer. However, Castello Italia will inform the Customer as soon as possible of the occurrence of a case of force majeure. Castello Italia will endeavour to remedy the situation, which has thus arisen, as soon as reasonably possible. It is expressly agreed that the Parties shall meet in order to agree as to the postponement of Castello Italia's obligations, which are affected by the event of force majeure, and to the rescheduling of the instalment schedule. Should this event continue for a period longer than 10 calendar days, and in the absence of an agreement 15 days following notice of the occurrence of the event of force majeure, either Party may terminate the contract without prior notice. Pursuant to this Contract, "Force Majeure" means the occurrence of an event or circumstance that prevents or impedes a Party from performing one or more of its contractual obligations under the Contract, if and to the extent that that Party proves: [a] that such impediment is beyond its reasonable control; and [b] that it could not reasonably have been foreseen at the time of issuance of the Order; and [c] that the effects of the impediment could not reasonably have been avoided or overcome by the affected Party. It is expressly agreed that events of force majeure shall be, in particular: the occurrence of incidents, as upheld by effective legislation or by case law, but also strikes or other blocking labour unrest, paralysing bad weather, blocking road accidents or incidents, fires, shortage of raw materials, increase in raw material's prices or generally, the fact, in spite of all due care taken, of not being able to make the delivery in accordance with the instalment dates as a result of a ban on, or non-receipt, of carriage authorisations by the relevant authorities for all the plants concerned by the issuance.

9 - Establishment of the price

The prices are indicated in the Offer. They are invoiced in the Offer's conditions.

The price corresponds exclusively to the Products and services specified in the Offer.

The payments are made in Euros unless specific provisions in the Contract.

10 - Payment

10.1 - Terms of payment

Unless otherwise expressly agreed in a specific agreement, payments are made by the 30th day net following the date of invoicing. As a reminder, the applicable law prohibits any negotiation of compensation due to the change of payment term.

The dates of payment agreed upon in the Contract shall never be unilaterally reconsidered by the Customer for whatever reasons, even in the event of litigation.

The advance payments are made without discount, unless otherwise agreed in a specific agreement.

The minimum invoice amount shall be of 250€ H.T..

10.2 - Delay of payment

Any delay in payments shall automatically entitle Castello Italia to the application of interests pursuant to Legislative Decree No. 231/2002 and subsequent amendments.

Without prejudice to any other remedy provided by the Contract or by the applicable law, any delay in payments within due date shall automatically entitle Castello Italia to obtain from the Customer a fixed sum of EUR 40 as compensation for recovery costs and, at Castello Italia's sole discretion, may withhold shipment of Products, institute new terms of payment, cancel any Order, terminate the Contract and it will not be liable for direct or indirect consequences arising from such actions.

In addition, Castello Italia shall be entitled to obtain reasonable compensation from the Customer for any recovery costs exceeding that fixed sum and incurred due to the Customers' late payment.

10.3 - Modification of Customer's situation

In the event of deterioration of the Customer's situation noticed by a financial institution and attested by a significant delay in payments or when the financial position differs appreciably from the given data, the delivery will have place only in consideration of renegotiated terms of payment.

In the event of delay in payments, Castello Italia has a right of retention on the manufactured Products and its accessories.

In the event of sale, of transfer, of handing-over in security or in the event of capital invested of his goodwill, or of a significant part of its assets or of its material by the Customer, also in the event that the bill did not return with acceptance within the seven days following its sending, Castello Italia reserves the right without injunction:

- to terminate the Contract and consequently the immediate payability of the sums still due;
- to suspend all shipments;
- to note on the one hand the annulment of all the current contracts and to practice on the other hand the retention of the received down payments, the held tooling and parts, until the determination of the possible indemnity.

10.4 - Compensation of the payments

The Customer undertakes not to engage into any illicit debiting or crediting or not to invoice Castello Italia for any amount that has not been expressly acknowledged by the latter as being its responsibility or ascertained by a final judgment. Any automatic debit shall constitute an outstanding payment and shall give rise to the application of the provisions of Article 10.2 with respect to delay in payments.

10.5 - Reservation of title

Castello Italia keeps full ownership of the properties that are the subject of the Contract until the effective payment of the entire price in principal and ancillary amounts. The non-payment of any of the due date could lead to the claim of these Products. However, as of delivery, the Customer assumes liability for any damages that these properties could suffer or cause.

11 - Responsibility/Liability

11.1 - Definition of CASTELLO ITALIA's liability

Castello Italia's responsibility under the said warranty is strictly limited to complying with the PPAP drawing or technical standards as by Offer.

Indeed, the Customer, as a professional in its field of competency, shall be able to define with precision the specifications according to its own industrial data or data of its customers and consequently shall be able to appreciate that the PPAP/technical standard reported on the Offer fully corresponds to its expectations.

Castello Italia shall not be liable:

- for defects resulting from materials furnished by the Customer;
- for defects resulting from design carried out or recommended by the Customer;
- for defects that result partially or completely from normal wear and tear of the Product, damages or accidents attributable to the Customer or to a third party;
- in the case of abnormal or atypical use or use that is inconsistent with the Product's intended use, industry practice, or Castello Italia's advice or recommendations;
- in case of loss of traceability of the Product by the Customer.

If the Customer refuses to participate in a product recall, whether initiated internally or imposed by authorities, it will indemnify and hold Castello Italia harmless against any expense, claim or legal action resulting from any delay or failure to conduct the recall.

11.2 - Limitation of CASTELLO ITALIA's liability

Castello Italia's liability shall be limited to direct material damages caused to the Customer that result from breach or misconduct directly attributable to Castello Italia only in performing the Contract.

Castello Italia shall not be required to compensate harmful consequences due to the faults of the Customer or of third parties in connection with the performance of the Contract.

Castello Italia shall not be liable for damages resulting from the Customer's use of technical documents, information or data from the Customer or imposed by the latter. Under no circumstances will Castello Italia be required to compensate immaterial or indirect damages, included but not limited to: losses in productivity, losses of chance, losses of benefit, commercial damage, shortfall, punitive, special, or consequential damages.

If penalties and compensations planned were agreed by mutual agreement, these penalties and compensations have the value of fixed compensation, are in full discharge and are exclusive of any other sanction or compensation.

In any case, Castello Italia's liability is limited to the amount of the selling price of the batch to which belongs the non-conforming Product.

The Customer guarantees waiver of remedy by its issuers or third parties in a contractual relationship with it, against Castello Italia or its insurers that is above and beyond the aforementioned limits and exclusions.

12. Obligation to respect the Model of Organization, Management and Control ex D.lgs. 231/01, the Code of Ethics and the policies/guidelines of the ARaymond Network.

The Customer is aware that Castello Italia has adopted and implemented a Model of Organization, Management and Control ex D.lgs. 231/01, with the related Code of Ethics and Disciplinary System, which it declares to have read from the company website and that it has understood.

The customer adheres to the principles contained in the Model of Organization, Management and Control, the Code of Ethics and the policies/guidelines of the ARaymond Network (<https://www.araymond.com>) and undertakes to respect its contents, principles, and procedures and, in general, to refrain from any behavior suitable to configure the hypothesis of crime indicated in Legislative Decree 231/01 and its subsequent amendments and integrations reported in the aforementioned Model of Organization, Management and Control.

It also undertakes to ensure that employees and collaborators comply with all the principles contained in the aforementioned documentation.

12.1 Failure by the Customer to comply with the principles set forth in the aforementioned documents shall entail serious breach of contract and shall entitle Castello Italia to claim compensation for any damages suffered and to be suffered

13. Termination

Without prejudice to any other remedy provided by the Contract or by the applicable law, Supplier reserves the right to terminate all or any part of the Contract, without any liability of Supplier to Customer or any other third party if Customer repudiates, breaches, or threatens to breach any of the terms. In particular, Supplier shall have the right to terminate the Contract under Article 1456 of the Italian Civil Code if the Customer breaches one of the following Articles of these Terms and Conditions: 4 (The Order's preparatory and ancillary work); 5 (Characteristics and status of Products); 6 (Intellectual property and confidentiality); 7 (Delivery, transport, inspection and acceptance of Products); 10 (Payment); 11 (Responsibility/Liability), 12 (Obligation to respect the Model of Organization, Management and Control. ex D.lgs. 231/01, the Code of Ethics and the policies/guidelines of the ARaymond Network)

13.1 - Amicable resolution of disputes

The Parties undertake to attempt to resolve their disputes amicably.

The negotiations must be transcribed in writing. If the Parties do not reach settlement within a period of 60 days from the date of the beginning of their negotiations, Article 14 shall apply.

14 - Applicable law - Attribution of jurisdiction

The Contract and any document connected with the Contract (see Article 2 above) shall be governed by and shall be interpreted in accordance with the laws of the Republic of Italy. No consideration shall be given to the Republic of Italy's conflict of laws principles.

In the absence of amicable settlement as per Article 13 above, all disputes between the Parties, in connection with or arising out of the existence, validity, construction, performance and termination of the Contract (or any terms thereof), shall be deferred to the competence and exclusive jurisdiction of the Court of Cremona (Italy).

15 - Severability clause

In the event that any clause of these Terms and Conditions or other elements of the Contract should be or become invalid this shall not affect the validity of the remaining clauses.

16 - Negotiations of all Terms and Conditions

The Customer declares and guarantee that each and every single Article of these Terms and Conditions have been specifically negotiated between the Parties. As a consequence, the Customer agrees and understands that Articles 1341 and 1342 of the Italian Civil Code do not apply and, in any case, the Customer waives any action and or claims based on Articles 1341 and 1342 of the Italian Civil Code.

Customer's Signature and Stamp

Name:

Title:

Date: