

GENERAL TERMS AND CONDITIONS OF SALE

Premise

The Seller is the legal entity, among those listed below, that issues the invoice for the sale of the Products to which these terms and conditions refer ("Seller").

- **Cavagna Group S.p.A.**, with registered office in Via Statale n. 11/13, 25011 Calcinato (BS) represented by its legal representative *pro tempore*;
- **Enne.Pi. S.r.l.**, with registered office in Via Risorgimento n. 1, 25080 Calvagese della Riviera (BS) represented by its legal representative *pro tempore*;
- **Kosan International S.r.l.**, with registered office in Via Gavardina n. 46/A, 25081 Bedizzole (BS) represented by its legal representative *pro tempore*;
- **Mesura Metering S.r.l.**, with registered office in Via Statale n. 11/13, 25011 Calcinato (BS) represented by its legal representative *pro tempore*;

Art. 1 - Object and Scope of These General Terms and Conditions of Sale

These General Terms and Conditions of Sale ("T&C ") govern all the current and the future sales contracts between the Parties concluded from 1 January 2022 ("Effective Date"), except for any exclusions specifically agreed in writing. However, even in the event of derogations agreed in writing, these T&C will continue to apply in the non-derogated Parts. Any general conditions of the Buyer will not apply to future relations between the Parties, unless expressly accepted in writing by the Seller; in this case, however, unless otherwise agreed in writing, they will not exclude the effectiveness of these T&C, which will prevail and with which they must be coordinated.

The adherence to these T&C, as well as all subsequent contracts and behaviors of the Parties regulated by them, unless otherwise expressly agreed in writing, do not imply the conferral of any exclusivity to the Buyer or the establishment of concession, commission or mandate relationships, with or without representation. These T&C do not confer on the Buyer the right to use the trademarks (in any form), the domains or the distinctive signs of the Seller, or, in any case, to use trademarks, domains and/or distinctive signs that can be confused with those of the Seller.

Art. 2 - Contractual Regulations

The reference to any commercial terms (Ex-works, FOB, CIF, etc.) shall be understood as referring to the Incoterms of the International Chamber of Commerce, in the version in force.

Art. 3 - Formation of the Contract

3.1 - Offer and Order Confirmation –

These T&C, except for any derogation specifically agreed in writing and in any case of all sales made by the Seller. Unless expressly agreed in writing to the contrary, the stipulation of a contract of sale between the parties, however occurred, implies the adherence of the Buyer to these T&C.

The sending by the Seller of price lists or descriptive material of the Products not expressly bearing the term "offer" or other equivalent, cannot be deemed an offer. The Seller's offer is considered firm and irrevocable only if it is expressed in writing by the Seller itself and a term of validity of is specified therein.

In the event that the Seller has issued, even after the conclusion of the contract, an order confirmation, it is assumed that the terms of the contract correspond to those of the order confirmation, unless the Buyer immediately identifies any difference in writing.

Offers made by brokers, business agents, and sales representatives of the Seller will not bind the Seller until confirmed by the Seller itself.

The express acceptance without reservation by the Buyer of Products different in type or quantity sent under conditions other than those contained in the Buyer's request implies acceptance, by the latter, of the supply and of the conditions proposed by the Seller. The aforementioned reservations will not be effective if they are not formulated by the Buyer in writing within eight days of receipt of the Products.

3.2 – Prices and Price Lists - Prices of the Products are in the currency specified in the contract and are always Ex-Works (FCA operational headquarters of the Seller indicated on the invoice, Incoterms in force at the time of order confirmation), unless explicitly indicated otherwise. In the event that the Seller sends price lists or offers containing minimum purchase quantities, purchase orders must refer at least to the minimum quantities indicated; orders for smaller quantities will not be accepted. When the pricelist or offer is based on a formula the prices stated will be modified

according to the criteria of the formula itself.

3.3 – Traceability - The Buyer undertakes to keep traceability of the Products in order to know to whom they have been sold and allow their traceability in the market.

Art. 4 - Samples, Drawings and Technical Documents

4.1 - Information Data - The weights, dimensions, capacities, prices, performances, colors and other data contained in the catalogues, brochures, circulars, advertisements, illustrations, price lists, or other illustrative documents of the Seller, as well as the characteristics of the samples and models sent by the latter to the Buyer, are approximate indications. These data are not binding except to the extent that they have been expressly mentioned as such in the offer or in the written acceptance of the Seller.

4.2 - Seller's Decisions – In the event that the Seller delivers samples of its Products to the Buyer, which are already or can in any case be identified as such, also within the accompanying documentation ("Sample(s)"), the Buyer is prohibited from marketing and selling them. The Parties agree that the Buyer shall indemnify the Seller from and against any claim, demand, loss and liability arising from the sale and/or marketing of a Sample by the Buyer, in breach of this clause. Where applicable, the provisions of this article 4.2 also apply to prototypes of Products manufactured by the Seller, meaning the first original non-certified pieces of each Product.

4.3 - Changes to the Products - The Seller reserves the right to make non-substantial changes to its Products at any time (which, therefore, do not impact on the functionality and safety of the Product) as it deems convenient, giving notice to the Buyer, where such changes affect the supplies in progress directed to the Buyer.

In the event that the Seller considers that it must make substantial changes to the Products for which supplies are in progress, before applying such changes, it must notify the Buyer and, if such changes should impose changes to the prices and / or delivery period previously agreed, the Parties must reach a full written agreement in this regard.

Likewise, if the Buyer proposes technical changes to the Products with respect to what is provided by the Seller in its offer or in the drawings presented, so that the same become mandatory application, the Parties must reach full written agreement on any changes relating to prices and delivery period.

4.4 - Drawings, Documents, Technical Information - Any drawing or technical document that allows the manufacture or assembly of the Products sold or their parts and is provided to the Buyer, both before and after the conclusion of the contract, remains the exclusive property of the Seller. The aforementioned drawings or documents may not be used by the Buyer or copied, reproduced, transmitted or communicated to third parties without the Seller's consent.

The drawings, documents or technical information of the Buyer, sent to the Seller before or after the conclusion of the contract, remain the exclusive property of the Buyer to the extent that they:

- a) relate to a patent or other industrial or intellectual property right of the Buyer; or
- b) are secret, i.e. do not refer to information made public by the Buyer or otherwise known to all operators in the sector, and are not common; provided, however, that the Buyer has expressly informed the Seller in writing of its intention to reserve the exclusive right of use.

Within the limits of the foregoing, such drawings, documents or technical information may not be used by the Seller, or copied, reproduced, transmitted or communicated to third parties without the written consent of the Buyer.

4.5 – Instructions for use – The instructions for use ("IFU") are sent to the Buyer's purchasing department, which assumes the responsibility of: a) forwarding them to all persons who will install, use and maintain the Products; b) ensuring that the IFUs accompany all the Products placed on the reference market; c) (in the event that the Product has been purchased to be incorporated into another apparatus or equipment) having them included in their manuals and instruction sheets according to the operations that each subsequent user of the Product will have to perform.

The Seller, with the exception of medical device Products and products of the Regulators Division and unless otherwise agreed in writing, provides the IFU Master in Italian and/or English version; The Buyer has the burden and responsibility of having the IFUs translated into the language of the country in which the Products will be used.

In the event that the Seller supplies Products that qualify as "medical devices":

-the Seller will supply the IFU in the language required by the country in which the medical device is placed on the market;

-the version in the different "MDR languages" is in any case available on the Seller's website (in case of need, the Buyer will address the Seller's sales representative);

-and, in particular, in the event that the Seller supplies more than one Product to a single user and/or in a single location, the Buyer will receive only one paper copy of the IFU, but may still request that further copies be provided free of charge.

Art. 5 - Technical Standards and Responsibilities of the Seller

The Seller develops and manufactures the Products in accordance with the regulations indicated in the drawing, which the Buyer signs for acceptance. It is the Buyer's responsibility to indicate any specific applicable legislation, different

from or in addition to that indicated in the drawing. If the Buyer does not indicate any legislation other than that included in the drawing, it is the Buyer itself who assumes the responsibility for the conformity of the Product with the legislation and the regulations of the country in which the Product is sold and/or used, indemnifying the Seller for any such discrepancies.

The Seller guarantees the performance of the manufactured Products only and exclusively in relation to uses, destinations, applications, tolerances and capacities expressly indicated by the same and which are included in the contractual documentation (for example: contract, order confirmation, invoice). The Buyer is not authorized to utilize the Products supplied by the Seller in a manner that does not comply with the indications described in the previous paragraph and in the IFU provided by the Seller.

In the event that the Buyer resells the Products, it will be its responsibility:

- a) to inform its buyer(s) about the correct use and characteristics of the Products;
- b) the possible granting to its buyer(s) of additional warranty periods, compared to the periods granted by the Seller to the Buyer in accordance with the provisions of art. 7 of these T&C;
- c) not to guarantee or extend any warranty on behalf of the Seller for any third party.

No derogation from the provisions of this article may be considered valid unless expressly and specifically defined and accepted between the Parties in writing.

Art. 6 - Delivery

6.1 - Return of Goods - Unless otherwise agreed, the delivery of the Products will be performed at the Seller's premises indicated in the Order Confirmation (FCA, Incoterms in force), even when it is agreed that the shipment or part of it is care of the Seller, in which case the latter will act as an agent of the Buyer, it being understood that the transport will be carried out at Buyer's expense and risk. Buyer shall stipulate a specific insurance policy to cover transport.

Unless otherwise agreed, the Seller will send a written communication (also by email) to the Buyer when the Products are available and ready for collection at its premises. The Buyer will have a maximum period of 10 (ten) working days to collect the Products; in the event that this deadline is not respected, the next order will be confirmed by the Seller only if paid in advance.

6.2 - Transfer of risks - The risks related to the supply shall pass to the Buyer in accordance with the Incoterms applied. If the Buyer does not collect the Products on the agreed delivery date for reasons other than fault or wilful misconduct of the Seller, the risks shall pass in any case to the Buyer at the latest on the agreed delivery date, unless the Buyer's failure to collect results from the occurrence of a Force Majeure event.

The Seller is not liable in any case for loss or damage to the Products occurred after the transfer of risks. The Buyer is in no case released from the obligation to pay the price when the loss or damage to the Products occurs after the transfer of risks.

6.3 - Commencement of the Delivery Term - Even when the Parties have agreed on the starting point of the delivery term, the delivery term will not initiate unless the following conditions are met:

- a) the Buyer has paid any portion of the price due as a down payment, and
- b) the Buyer has opened any documentary credit agreed in accordance with the contract.

Likewise, when the Buyer or other person designated by the same must communicate processing instructions, technical data or other instructions for the preparation of the Products, the delivery term will not commence until such communication takes place.

If the Parties have not agreed on the starting date of delivery and the above provisions are not applicable, the delivery period starts from the date of conclusion of the contract.

6.4 - Seller's Obligation to Deliver the Goods - The delivery weeks indicated and confirmed by the Seller, are understood as working weeks of the latter. It remains the responsibility of the Buyer to request the Seller to provide its annual working calendar.

6.5 - Buyer's Obligation to Collect the Products - The Buyer is always obliged to collect the Products, even in the case of partial deliveries and/or deliveries with a tolerance of +/- 5% with respect to the quantity ordered and also when the Products are delivered before the established delivery date or after that date.

If the Buyer has collected the Products, for reasons not attributable to the Seller or due to Force Majeure, the Buyer will bear all expenses and risks that may arise and any sum due for any reason to the Seller will become immediately payable. The Seller may, without prejudice to any damages:

- a) store the Products at the risk, danger and expense of the Buyer;
- b) send the Products, in the name and on behalf of, and at the expense of the Buyer, to the latter's premises;
- c) sell the Products by any means on behalf of the Buyer, withholding from the earnings the entire price due as well as any incurred expenses.

Unless otherwise agreed, the Buyer undertakes to purchase the Products manufactured in the same year within 31st

December of each year on the basis of confirmed orders. Consequently, the Seller will deliver and invoice the personalized Products to the Buyer within the same term.

6.6 - Impediments Independent of the Will of the Parties – Upon the occurrence of force majeure causes not dependent on the will of the Seller and / or the Buyer, such as, but not limited to, fires, floods, lack or scarcity of raw materials, strikes, epidemics, pandemics, measures of the public authority that limit or prohibit the movement of things and people, health reasons, delays in the granting of authorizations and other impediments independent of the will of the Parties intervened after the conclusion of the contract that make delivery temporarily impossible or excessively burdensome ("Force Majeure"), the delivery term will be deferred at the time of termination of the impediment.

Both the Seller and the Buyer will have the right to terminate the contract, by giving one month's notice, by registered letter with acknowledgment of return or by courier, if the impediment persists after a reasonable period from the agreed delivery date (which period shall in any case be no shorter than six months).

In no case, due to the occurrence of the circumstances of Force Majeure provided for in this article, the Buyer or the Seller may demand compensation or indemnity of any kind.

Art. 7 – Warranty

7.1 – General Warranty Conditions - The Seller guarantees the Products under the terms and conditions specified below. For anything not regulated in these T&C, the General Warranty Conditions specific to the Product being sold, attached to these General Conditions of Sale (Annex 4), are considered integral. In the event of any conflict between what is established and regulated in these T&C and in the General Warranty Conditions, the T&C are to be considered prevailing.

7.1 - Conformity of the Products - The Seller guarantees the conformity of the Products supplied; the term conformity of the Products means that they correspond in quantity, quality and type to what is established in the order confirmation (except for a +/-10% as regards the quantity) and that they are free from defects that could make them unsuitable for the use for which they are intended.

The Seller does not guarantee any particular use of the Products, unless this is expressly agreed between the Parties in writing and with the specification of what such particular use is.

7.2 - Supplies according to Buyer's drawing - In the case of supplies in accordance to the Buyer's drawing, the Seller only guarantees the conformity of the Products to the quotas, tolerances and specifications that have been indicated or, in the absence of precise indications, to the tolerances of use for current qualities, with the exclusion of any guarantee regarding the specific use to which the Buyer assigns the purchased Product.

7.3 – Scope of Warranty - The warranty for defects is limited only to defects: a) in the design of the Product (only if developed by the Seller); b) in the materials of the Product; c) in the manufacture of the Product, attributable to the Seller; and does not apply in the event that the Buyer has made incorrect use of the Product or has not installed, maintained, used and stored it according to the instructions contained in the use, installation and maintenance manual of the Product/IFU or in the event that the Buyer has modified or repaired the Product without the Seller's consent.

The Seller is not liable for lack of conformity of materials, semi-finished or components and any other product incorporated into the Products, supplied or requested by the Buyer or by third parties acting, for any reason, on their behalf, except in the case of liability of the Seller at the time of assembly or incorporation.

Furthermore, the Seller has no responsibility for defects in conformity of the Products due to normal wear and tear and deterioration of those parts which, by their very nature, are subject to rapid and continuous wear and tear (e.g. gaskets, belts, coating materials, etc.).

In general, in no case is the Seller liable for defects of conformity that have their cause in an event subsequent to the transfer of risks to the Buyer.

This warranty is valid only if the Products are installed, used and maintained in accordance with the sheets and instructions provided by the Seller in the installation, use and maintenance manuals/IFU and in the Product documentation and in accordance with the mandatory or voluntary legal requests and provisions existing in the territory where the Products are used or, in the event that no specific legislation, standards or regulations are in force, in accordance with the best practices in force in the relevant industrial or commercial sector.

7.4 - Duration - The duration of the warranty is specific to each type of Product, therefore please refer to the related General Warranty Conditions. The warranty for replaced parts starts from the day of replacement.

7.5 - Complaints - The Buyer is required to verify the conformity of the Products and the absence of apparent defects or faults. The Buyer must report any defects or lack of conformity of the Products, according to the following methods and timing (considering that failure or late notification of a defect will render the warranty void):

a) The notification of defects for damages that are apparent from the external examination of the packaging of the Product, must be forwarded as soon as the Products arrive at their place of destination. The complaint must be made by means of a precise written description of any faults and/or damages found, directly on the accompanying documentation

of receipt of the Products, on which the Buyer's intention to carry out an "Acceptance with Reserve" must be expressly indicated.

b) The notification of defects relating to quantity, color, quality defects or defects or non-conformity that the Buyer may be able to identify as soon as it takes possession of the Products, must be submitted immediately after the Products have arrived at their destination and, in any case, no later than 15 days from that moment;

c) Hidden defects, defects or non-conformities (i.e. those not identifiable on the basis of the inspection imposed on the Buyer by law and by the previous paragraph) must be communicated within 30 days of discovery and, in any case, no later than the period of time indicated in the General Warranty Conditions specific to each Product.

Complaints must be made by registered letter with return receipt (or by courier) addressed to the Seller and must indicate in detail the defects or non-conformities contested.

In order to preserve the warranty, the Buyer shall not carry out any modification or repair action on the Products without the written authorization of the Seller. The Buyer loses the right of warranty if it does not allow any reasonable control that the Seller requests or if, having requested the return of the defective Products at its own expense, the Buyer fails to return such Products within 15 (fifteen) working days from the request.

If the complaint is unfounded, the Buyer will be required to compensate the Seller for all expenses incurred by the latter for the assessment (travel, appraisals, transport costs, sorting, etc.); the Buyer will have the same obligation if the complaint is only partially founded, for a percentage not exceeding 30 percent (thirty percent) compared to the disputes originally made.

It is understood that all repair and/or maintenance work that will be carried out on the Product after the expiry of the warranty will be borne and at the expense of the Buyer, even if still within the terms of its useful life, where indicated.

7.6 - Remedies - Following a claim for compensation made by the Buyer, pursuant to this article, the Seller, within a reasonable time having regard to the extent of the complaint, may (at its option):

a) provide to the Buyer Products of the same kind and quantity as those found to be defective or not in conformity with what was agreed, on free Ex-Works terms; the Seller may in this case demand the return of the defective Products, which shall become its property; or

b) repair at its own expense the defective Product(s) or modify the one not in conformity with the agreed one, carrying out the aforementioned operations on site or at its own premises; or

c) compensate the Buyer for damages, crediting the Buyer a sum equal to the cost of repairing or modifying the Product at its premises; or

d) inform the Buyer in writing about the termination of the contract, offering the refund of the price against return of the Products supplied.

The Seller will not be charged for any other costs (such as, for example, dismantling and/or re-assembly of the Products, transport to/from the Buyer's customer premises, etc.).

It remains understood, however, that any liability that may derive from the Products after delivery will be the sole responsibility of the Buyer, including any damage to persons or property, except for liability for defects and manufacturing defects of the Products themselves, which remains with the Seller. After the expiry of the warranty, no claim can be asserted against the Seller.

7.7 - Limitation of liability of the Seller - Except for willful misconduct or gross negligence of the Seller, any compensation for any damage to the Buyer may not exceed the invoice price of the disputed Products. The warranty referred to in this article is absorbing and substitutive of the legal guarantees for defects and conformity and excludes any other possible liability of the Seller in any case originating from the Products supplied; in particular, the Buyer may not make other claims for damages, price reduction or termination of the contract.

The Seller's liability is contained within the limits of this article and in any case relates only to the Products supplied by the same. In particular, the Seller's liability cannot be extended to any defective operation of systems or machines made by the Buyer with components supplied by the Seller, even if the components have been assembled according to schemes or drawings suggested by the Seller, unless such diagrams or drawings have been the subject of separate remuneration and except in the case in which the defective operation results from and depends on defects in the Products supplied by the Seller. In no event shall Seller be liable for any direct, indirect, incidental, punitive or consequential damages, including, without limitation, claims for damages based on loss of production or lost profits, regardless of the cause. Finally, it is understood that the costs and expenses associated with the recall of the Products shall be paid by the Seller within the limits, terms and conditions set out in its insurance and liability policy, with the exclusion of costs related to tracing the Products on the market, which will be borne by the Buyer.

Finally, the Buyer undertakes to adequately insure any relative risk, without the right of recourse against the Seller.

Art. 8 Payment

8.1 - Payments – Payments and any other sum due for any reason – to the Seller, are net at the Seller's domicile.

Payment must be made, unless otherwise agreed in writing, by direct remittance at 60 (sixty) end of the month at the bank indicated by the Seller. In the case of payment by letter of credit, this must be opened in the simplest form and in accordance with the provisions of the contract. The Letter of Credit must be irrevocable and confirmable by a leading Italian bank.

8.2 - Late payments; disputed sums - The Buyer undertakes to comply with the terms of payment with the utmost diligence. Any delay or irregularity will entitle the Seller to interrupt subsequent supplies until the timely fulfillment of the suspended. Any delay in payment will be subject to the calculation of interest according to the criteria indicated by Legislative Decree 231/02 (and subsequent amendments regarding late payments in commercial transactions). In case of repeated delays in payments, the Seller shall have the right to suspend supplies or terminate current contracts, even if not related to the payments in question, as well as the right to compensation for any damages.

Late payments also gives the Seller the right to exclude the guarantee referred to in art. 7 for as long as the delay persists. The Buyer will not be able to assert any default by the Seller if it is not up to date with the payment of the price of the Products purchased. The Buyer is required to pay in full even in the event of a dispute or a claim. No set-off is allowed with any receivables, however arising, against the Seller.

8.3 – Assignment of Credit – Pursuant to articles 1260 et seq. of the Italian Civil Code, the Seller reserves the right to assign any credit deriving from the execution of the contract.

8.4 – It is the Buyer's responsibility to verify that the current account on which he pays the invoices relating to the Products is in fact in the name of the Seller. The Seller may in no case be held liable for payments made to fraudulent current accounts; in such a case, the Buyer will be required to make a correct payment to the Seller's account.

Art. 9 - Excessive burden occurred

If, due to the occurrence of a supervening and unforeseeable cause at the time of conclusion of the contract, the execution of the Seller's obligations has become - before their execution - excessively onerous in relation to the consideration originally agreed, so as to modify the relationship itself by more than 20% (twenty percent), the Seller may request a revision of the contractual conditions and, in the absence of agreement between the parties, declare the contract terminated. In the latter case, the Seller is obliged to return to the Buyer, within 10 (ten) working days from the relative request, any advance payments received.

Art. 10 - Interpretation; Amendments; Invalid Clauses

Any annexes or premises are considered an integral part of the contracts to which they relate.

Any reference to the price lists, general conditions or other material of the Seller is intended to refer to the documents in force at the time of the recall itself, unless otherwise specified; The corresponding texts previously in force between the Parties shall be deemed to have been annulled.

The declarations made or the behavior of the Parties during the negotiations or during the execution of the contract may contribute to the interpretation of the contract to which they refer, and to the extent that they do not conflict with these T&C or with the written agreements made by the Parties at the conclusion of the contract in question.

Except as provided for in art. 2, any modification or integration made by the Parties to the contracts to which these T&C apply must be made in writing, under penalty of nullity. The exception to one or more provisions of these T&C must not be interpreted broadly or by analogy and does not imply the desire to dis-apply the T&C as a whole.

In the case of invalid or ineffective contractual provisions, the contract as a whole must be supplemented and interpreted as containing all the clauses that enable the essential aim pursued by the agreement containing the clauses in question to be attained in accordance with the law.

Art. 11 – Applicable law

For anything not specified in this contract, the rules of the country of Defendant shall apply.

Art. 12 - Place of jurisdiction

Any dispute relating to or in any case connected to the contracts to which these General Conditions of Sale apply, shall be submitted to the Court having jurisdiction over the area where the Defendant has its place of business.