

## GENERAL TERMS AND CONDITIONS OF SALE

Issued 11/25

### 1. INTRODUCTION AND CONTRACTUAL FRAMEWORK

1.1 Unless otherwise specifically agreed in writing, these General Terms and Conditions shall govern all current and future sales contracts between DropsA S.p.A. (hereinafter the “Seller”) and the purchaser (hereinafter the “Buyer”). Any general terms and conditions of the Buyer shall not apply, even in part, unless accepted in writing by the Seller. Any departures from these General Terms and Conditions shall be effective only if agreed in writing between the parties.

1.2 The Buyer’s acceptance of the Seller’s quotation or order confirmation, including acceptance by conduct, shall render these General Terms and Conditions applicable to the contract.

1.3 All sales contracts between the parties, these General Terms and Conditions of Sale and all obligations governed by them shall be subject to Italian law and, in particular, to the United Nations Convention on Contracts for the International Sale of Goods, signed in Vienna on 11 April 1980.

1.4 Any reference to trade terms (e.g. Ex Works, EXW, FOB, CIF, etc.) shall be construed as a reference to the Incoterms issued by the International Chamber of Commerce in the version in force when the sales contract is concluded.

### 2. PRODUCT CHARACTERISTICS – TECHNICAL AND COMMERCIAL DOCUMENTATION

2.1 The Seller reserves the right to accept orders in written form, whether on paper or in digital format, or by electronic means, provided that they bear an electronic signature (qualified or advanced) where required by law to ensure their authenticity, integrity and protection against alteration. Written form, whether traditional or electronic, provides greater certainty and evidence of the parties’ intentions. Any verbal requests must be confirmed in writing within 24 hours. Any changes to orders and quotations must be communicated to the Seller in writing. Upon accepting such changes, the Seller shall communicate any potential price adjustments for the Buyer’s confirmation before proceeding with the work.

2.2 Non-binding information. Weights, dimensions, prices, capacities, performance figures and other data appearing in the Seller’s catalogues, brochures, circulars, advertisements, illustrations, price lists or other descriptive documents are approximate indications only. Such data shall not be binding.

2.3 Changes. The Seller reserves the right to change the technical characteristics of the Products, including their components, at any time and without prior notice, provided that such changes do not adversely affect their performance.

2.4 Seller’s documents. Any drawings, documents, technical information or software relating to the manufacture, assembly and maintenance of installations, machinery and other goods, including their parts, together with any other drawings, documents, technical information or software belonging to the Seller and supplied to the Buyer before or

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after conclusion of the contract, shall remain the exclusive property of the Seller. The Buyer may not use them for any purpose other than the operation and maintenance of the Products, nor may they be copied, reproduced, transmitted or disclosed to third parties without the Seller's written consent.

### 3. PRICES

3.1 Unless otherwise agreed, prices shall be expressed in the specified currency.

3.2 Prices exclude VAT, any taxes or levies, and any duties, fiscal charges or other charges of any kind that may apply to the contract.

### 4. PAYMENT TERMS

4.1 Payment must be made exclusively to the Seller under the agreed terms. Payment shall be deemed to have been made when the relevant amounts have been received, without deductions, at the Seller's place of business. Any advance payments made by the Buyer may be retained by the Seller to the extent necessary to cover any costs incurred or losses suffered if the sales contract is terminated at the Buyer's initiative or due to the Buyer's fault.

4.2 If payment is delayed beyond the agreed date, the Buyer shall pay the Seller late payment interest calculated in accordance with Article 4 of Italian Legislative Decree No. 231 of 9 October 2002, implementing EC Directive 2000/35.

4.3 Any delay in payment of the price, including advance payments or instalments where deferred payment has been agreed, exceeding 30 days from the agreed payment date shall entitle the Seller to terminate the contract. The Seller may retain, by way of compensation, any portion of the price already paid to the extent necessary to cover all losses suffered or costs incurred, and demand the return of the Products, if already supplied, to be arranged and paid for by the Buyer, without prejudice to the right to compensation for any further loss. Unless otherwise agreed, any bank charges or fees relating to payment shall be borne by the Buyer.

4.4 Where advance payments are covered by a bank guarantee provided by the Seller, such as a repayment guarantee or advance payment guarantee, the Buyer undertakes not to call upon the guarantee if, and to the extent that, repayment of the advance is not due, for example in the event of cancellation of the order or termination of the sales contract due to the Buyer's fault.

4.5 The Buyer shall not be entitled to make any deduction from the agreed price, for example on account of alleged defects in the Products, or to delay payment on account of any alleged breach by the Seller, unless previously agreed in writing with the Seller.

4.6 If the Seller has reason to believe that the Buyer may be unable or unwilling to pay for the Products on the agreed date, the Seller may make delivery of the Products conditional upon the provision of adequate payment security, such as a surety or bank guarantee. Furthermore, in the event of late payment, the Seller may unilaterally

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amend the terms of any other supplies and/or suspend their performance until adequate payment security has been obtained.

## 5. RETENTION OF TITLE – TRANSFER OF RISK

5.1 The parties agree that the Products delivered shall remain the property of the Seller until the Seller has received payment in full. Until full payment has been made, the Buyer undertakes not to perform any act that may prejudice the Seller's rights, such as reselling, transferring or pledging the Products as security, without the Seller's prior consent.

5.2 In the event of partial payment, and without prejudice to the Seller's right to retain the portion of the price already paid as compensation pursuant to and within the limits of Article 4.3 of these General Terms and Conditions of Sale, the Seller reserves the right to repossess the goods at the Buyer's expense. Throughout the period of retention of title, the Buyer shall insure the goods against damage, it being understood that all risks relating to the goods shall pass to the Buyer upon delivery. The Seller's right to compensation for any further loss shall remain unaffected.

## 6. DELIVERY AND SHIPPING TERMS

6.1 Unless otherwise agreed, the Products shall be supplied carriage paid to destination. If delivery is prevented by a refusal on the part of the customs authorities, the Seller shall bear no liability. The carrier shall be fully responsible for transport pursuant to Article 1693 of the Italian Civil Code. Once the goods have been handed over to the carrier, the Seller shall be released from any liability for damage or loss.

6.2 Any delivery periods agreed between the parties are indicative only and shall not be binding on the Seller. Such periods shall run from the date on which the order confirmation is issued until notification that the goods are ready.

6.3 Such periods shall be extended as appropriate:

6.3.1 Where the Buyer is not up to date with payments, for example where an agreed advance payment or deposit has not been paid.

6.3.2 Where the Seller has not received documents, drawings, clarifications, materials for trials and testing, or other items that the Buyer is required to provide for fulfilment of the order.

6.3.3 In the event of unforeseeable circumstances or force majeure, either party may suspend performance of its contractual obligations where such performance is rendered impossible or unreasonably onerous by an impediment beyond its control, such as strikes, boycotts, lockouts, fire, war, whether declared or undeclared, civil war, riots and revolutions, requisition, embargoes, power outages, government measures relating to epidemics or pandemics, or delays in the delivery of components or raw materials. If suspension due to force majeure continues for more than six months, either party shall be entitled to terminate this Sales Contract by giving the other party 30 days' written notice.

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6.3.4 In the event of changes requested by the Buyer.

6.3.5 In the event of unavailability of, or delays in securing, means of transport.

6.4 If shipment is postponed at the Buyer's request or for reasons attributable to the Buyer, the Seller reserves the right to charge the actual storage costs or 1% of the invoice amount for each month or part thereof, starting from the month following notification that the goods are ready. In such circumstances, risk shall pass to the Buyer on the date on which the goods should have been delivered.

6.5 Except in cases of wilful misconduct or gross negligence on the part of the Seller, any compensation for loss arising from failure to deliver or delayed delivery of the Products is expressly excluded.

6.6 In the case of the supply of centralised lubrication systems, the Seller shall communicate to the Buyer the technical specifications of the machinery on which the system is to be installed. The Seller shall bear no liability for damage resulting from non-compliance with the technical specifications. The Buyer shall be responsible for checking the compatibility of the machinery with the system or accessories supplied by the Seller. Installation and assembly costs shall be treated as separate charges unless expressly stated in the invoice. Only systems installed by the Seller's specialist personnel shall be covered by warranty.

6.7 If the Seller has reason to believe that the Buyer may be unable or unwilling to pay for the Products on the agreed date, the Seller may make delivery of the Products conditional upon the provision of adequate payment security, such as a surety or bank guarantee. Furthermore, in the event of late payment, the Seller may unilaterally amend the terms of any other supplies and/or suspend their performance until adequate payment security has been obtained.

## 7. INVOICING

7.1 Invoices shall be issued within the statutory time limits, calculated from notification that the goods are ready.

7.2 Any delay in collecting the Goods, where specific arrangements have been agreed between the parties, shall not alter the commencement of the agreed payment periods.

## 8. PACKAGING

8.1 Unless otherwise agreed in writing, special packaging (crates, cabinets, etc.) shall be invoiced separately to the Buyer and shall not be accepted for return.

8.2 In the absence of specific instructions from the Buyer, the Seller shall arrange packaging at its sole discretion.

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## 9. TRASPORT

9.1 The Goods shall always travel at the Buyer's risk, including where they are supplied carriage paid to destination and where transport is arranged by the Seller on the Buyer's behalf.

9.2 In the event of shortage or damage, the recipient must nevertheless take delivery and shall be responsible for lodging a claim with the freight forwarder or carrier upon receipt of the goods.

9.3 In the absence of specific instructions from the Buyer, the Seller shall arrange shipment in the manner it considers most appropriate, without assuming any liability.

## 10. ACCEPTANCE TESTING

10.1 Before delivery or shipment, the lubrication systems shall undergo acceptance testing at the Seller's factory. Testing shall be conducted in accordance with any procedures agreed between the parties or, in the absence of such agreement, in accordance with the Seller's usual procedures. Testing shall verify the conformity of the lubrication systems pursuant to Article 11.1 of these General Terms and Conditions.

10.2 The Buyer shall attend acceptance testing at the Seller's premises at its own expense. Any expenses for meals, accommodation and transport between the designated hotels, airports or railway stations and the Seller's premises shall be borne by the Seller. If the Buyer is not present on the scheduled testing date, testing shall take place in its absence, and the results shall be deemed accepted by the Buyer.

10.3 Acceptance testing shall be deemed successful where the Buyer attends testing and no specific written objection concerning any non-conformity of the machinery is recorded in the test report during or immediately after completion of testing. Where the Buyer states that it does not wish to attend testing or otherwise fails to attend, testing shall be deemed successful if no non-conformity of the lubrication systems is recorded in the test report prepared by the Seller.

10.4 If acceptance testing is unsuccessful, the Seller shall remedy the non-conformities recorded in the test report. Delivery periods shall be extended by the time required to make the necessary modifications.

10.5 If the Buyer requests further functional testing at its premises after installation of the lubrication system, with the attendance of the Seller's technical personnel, the costs of such testing shall be borne entirely by the Buyer and calculated in accordance with the Seller's terms for technical services.

## 11. WARRANTY

11.1 The Seller undertakes to remedy any non-conformity or defect in the Products attributable to it that arises within twelve months of delivery of the Products to the Buyer, provided that such non-conformity has been notified to the Seller promptly in accordance with this Article 11. In such cases, the Seller shall, at its discretion, replace or repair the defective Products or parts thereof.

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11.2 The Seller warrants each product against manufacturing defects for twelve months from the date of issue of the accompanying delivery document, excluding electrical parts, which shall be covered by the manufacturer's warranty. During this period, repairs shall be carried out free of charge or the relevant items shall be replaced. The warranty shall cease to apply if the Buyer has used non-original spare parts or consumables, or if the defects result from force majeure, negligence on the part of the Buyer, use contrary to the Seller's instructions, tampering or the use of unsuitable lubricants. The defective product shall be returned at the Buyer's expense. It must be returned in its original packaging, accompanied by a copy of the delivery document. The Buyer releases the Seller from any liability for loss or damage throughout the period in which the product is out of operation. The warranty under Article 1512 of the Italian Civil Code is excluded where the defect is not attributable to the Seller. In such cases, the Buyer shall bear the inspection costs, it being understood that costs relating to damage arising from defects shall not exceed the cost of the goods themselves.

11.3 The Seller's obligations to repair or replace the Products in the circumstances and under the conditions specified shall replace any warranties or liabilities provided for by law. Accordingly, except in cases of wilful misconduct or gross negligence on the part of the Seller, any other liability of the Seller, whether contractual or non-contractual, arising in any way from the Products supplied and/or their resale, including compensation for damage or loss of profit, is expressly excluded.

11.4 The warranty for replacement parts shall expire on the same date as the warranty for the finished product. The Seller shall not be liable for defects or non-conformities of the product arising, even indirectly, from drawings, designs, information, software, documentation, specifications, instructions, materials, semi-finished goods, components or anything else supplied, specified or requested by the Buyer or by third parties acting in any capacity on the Buyer's behalf.

11.5 The Seller shall likewise not be liable for defects or non-conformities of the product resulting from normal wear and tear of parts that, by their nature, are subject to continuous wear, whether mechanical, electrical, electronic or otherwise, such as seals, sensors and other components.

11.6 The warranty shall apply provided that the Buyer uses the product and equipment compatible with its technical characteristics, as specified in the operating instructions, and operates the product with all safety devices in place.

11.7 The Seller shall likewise not be liable for defects or non-conformities of the product caused by failure to comply with the requirements of the operating manual, by improper use or handling of the product, or where modifications or repairs have been carried out without the Seller's prior written consent. Under no circumstances shall the Seller be liable for non-conformities caused by an event occurring after risk has passed to the Buyer upon delivery of the goods to the Buyer.

11.8 On pain of forfeiture of its warranty rights, the Buyer must notify the Seller in writing of any defects or non-conformities of the product that could not be detected during acceptance testing (hidden defects) and become apparent subsequently, describing their nature in detail, within 15 days of discovery. Under no circumstances may notice of defects or non-conformities be given after expiry of the warranty period specified in Article 11.1 above.

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11.9 The Buyer shall also forfeit its warranty rights if it fails to permit any reasonable inspection requested by the Seller or, where the Seller has replaced a defective part at its own expense, fails to return the replaced part within 15 days of the request.

11.10 If repairs or replacements must be carried out at the place where the product is installed, the labour hours required to rectify the fault shall be borne by the Seller. Travel time, waiting time and any expenses for meals and accommodation shall be borne by the Buyer and invoiced in accordance with the Seller's general terms for technical services. Travel and/or waiting time shall be charged at the same rate as working time.

11.11 The warranty shall cease to apply if the Buyer is not up to date with payments, and any dispute concerning goods under warranty shall not release the Buyer from its payment obligations. Once the warranty period has expired, no claim may be brought against the Seller.

11.12 The Buyer shall immediately forfeit its warranty rights if the Seller establishes that the maintenance requirements, including preventive maintenance, specified in the operating manual have not been followed; that the finished product or its components have been used beyond the technical limits for which they were supplied; or that the Buyer has modified the product or its components, even to a minor extent, without the Seller's prior written approval.

## 12. SELLER'S LIABILITY

Any liability arising from the Products in connection with events occurring after risk has passed to the Buyer upon delivery, including any damage to property, even where such property forms part of or is ancillary to the machinery, shall be borne exclusively by the Buyer. The Buyer shall indemnify and hold the Seller harmless and undertakes to obtain adequate insurance against all related risks, without any right of recourse against the Seller. The Buyer hereby consents to being joined as a party to any proceedings brought against the Seller in respect of the liability referred to in this Article, to the extent permitted by applicable law.

## 13. TECHNICAL SERVICES AND ON-SITE WORK

13.1 Where the parties agree that the Seller's personnel shall be dispatched, such personnel may only be assigned to the work specified in the contract.

13.2 The Buyer undertakes to facilitate the work of the Seller's personnel in every way and to ensure that such work can begin immediately upon their arrival on site and continue without interruption until completion.

In particular, without limitation, the Buyer undertakes to complete all necessary preparatory work of any kind before the Seller's personnel begin providing their services; have all utility connections ready, including lighting, power and water, together with the necessary equipment and tools, including lifting equipment and internal transport equipment; provide lockable rooms near the workplace for storage of the Seller's personnel's tools and clothing; have the parts to be assembled available on site and fully protected; make suitable auxiliary personnel available; and ensure the safety of the Seller's technicians at all times.

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### 13.3 Liability for damage

The Buyer shall bear responsibility for damage caused to or by the Seller's personnel during their stay at the Buyer's premises. The Buyer shall also take out adequate accident insurance for the benefit of the Seller and/or its representatives.

### 13.4 Expenses

The Buyer shall bear and pay directly all expenses necessary to fulfil its obligations, together with the expenses for the daily travel of the Seller's personnel between their accommodation and the workplace and any medical assistance costs arising from accidents involving the Seller's personnel.

### 13.5 Fees

Unless otherwise agreed in writing, the Buyer shall pay the Seller the applicable fees calculated in accordance with the Seller's terms for technical services in force from time to time. Such fees shall be paid under the agreed payment terms.

### 13.6 Service report

The Buyer shall sign the technical service report prepared using the Seller's form to record the work performed and the hours worked. In the absence of the Buyer's signature, the report signed by the Seller's personnel shall constitute conclusive evidence between the parties.

## 14. SPARE PARTS

14.1 Any spare parts shall be supplied at the prices stated in the Seller's price list, provided that such parts are readily available to the Seller and are supplied within two years of delivery of the product, in accordance with Italian legislation. This period may vary according to the type of product, as provided for by the European Right to Repair Directive (Directive 2024/1799), and access to repair information shall also be guaranteed. This applies to both new and refurbished spare parts where they are installed to replace a faulty component during the warranty period of the main product.

14.2 Under no circumstances shall the Seller be liable for the incompatibility of spare parts with products other than those originally supplied, or with products modified by the Buyer.

14.3 The Buyer shall provide all technical information necessary for the supply of spare parts.

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## 15. INTELLECTUAL PROPERTY PROTECTION FOR SOFTWARE SUPPLIED BY THE SELLER

15.1 Where the finished product requires specific software developed by the Seller in order to operate, the Seller shall make such software available to the Buyer together with the product.

15.2 Italian Copyright Law (Law No. 633/1941) protects software and governs reverse engineering. Software, in both source code and object code form, is protected by copyright as a literary work. Its contents are protected, and infringements may result in civil and criminal penalties.

15.3 The Software, including any subsequent updates supplied by the Seller, shall remain the exclusive property of the Seller. The Buyer may use it as a licensee solely to operate the product with which it was supplied. The Buyer may not transfer it, disclose it or reproduce it for third parties, nor make any modifications to or otherwise alter it, without the Seller's prior written authorisation.

## 16. CONFIDENTIALITY

The Buyer undertakes to keep the Seller's technological information and know-how confidential and not to disclose or use for purposes outside the contract any drawings and/or technical documentation of any kind belonging to the Seller, which shall remain the Seller's property.

## 17. DISPUTES

The courts of Milan shall have exclusive jurisdiction over any dispute arising out of or in connection with this contract, to the exclusion of any other court.

Italian law refers to the European provisions of the Brussels I Recast Regulation (1215/2012) for disputes involving EU and non-EU parties.

Place and date

Buyer's stamp and signature

*Pursuant to Articles 1341 and 1342 of the Italian Civil Code, the Buyer expressly declares that it approves and accepts the provisions of the following clauses: 1. Introduction and Contractual Framework; 3. Prices; 4. Payment Terms; 5. Retention of Title – Transfer of Risk; 6. Delivery and Shipping Terms; 9. Transport; 10. Acceptance Testing; 11. Warranty; 12. Seller's Liability; 13. Technical Services and On-Site Work; 14. Spare Parts; 15. Intellectual property protection For software supplied by the Seller; 16. Confidentiality; 17. Disputes.*

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