



OBJECT Steriline General Sales Conditions



STERILINE GENERAL SALES CONDITIONS

ART. 1 GENERAL REMARKS & RULES:

Steriline General Terms and Conditions apply exclusively; General Terms and Conditions of Customer will not be accepted by Steriline unless agreed in writing. Steriline General Terms and Conditions apply as well to any future addendum, amendment and change request related to the Project.

All agreements entered into between Steriline and Customer, also referred to as the Parties, concerning the execution of the Project must be made in writing.

ART. 2 OFFER:

Any descriptive documents pertaining to any respective offer, such as pictures, drawings, and particulars as to weight and measures, shall only be deemed to be rough standards unless explicitly identified as binding standards under any respective agreement.

Steriline hereby reserves to itself any of its property and copyright interests in any cost estimates, drawings and other descriptive documents.

Such cost estimates, drawings, and other descriptive documents shall not be made accessible to any third party.

ART. 3 ORDER CONFIRMATION:

If no contract is formally signed between the Parties, at receipt of Purchase Order Steriline will issue the related Order Confirmation. The Order Confirmation and its attachments will be the binding agreement, also referred to as the Contract, between Steriline and Customer.

ART. 4 UNILATERAL TERMINATION:

In case of unilateral decision of Contract termination by the Customer, the Seller is entitled to retain all the payments receipt as compensation and, in case the production costs incurred are not fully covered by these payments, to maintain the right to ask additional compensation.

The Customer can never terminate the Contract after the receipt of the notice of the date of Factory Acceptance Test (FAT).

ART. 5 DELIVERY:

Delivery of the equipment (or of any part of the equipment) is ruled by the INCOTERM rules agreed by the Parties. Partial shipments are allowed up to delivery of the complete scope of supply.

ART. 6 TRANSFER OF RISK AND ACCEPTANCE OF DELIVERY:

Risk of Loss or Damage to any ordered part shall be transferred from Steriline to Customer upon delivery according to the INCOTERM agreed by the Parties. After transfer of risk the Customer will safely store the ordered parts and will be responsible for any damage occurred not directly caused by Steriline personnel.

Delivered items not showing material defects shall be accepted by Customer, without prejudice, however, to any of its rights under law.

ART. 7 ON-SITE ACTIVITIES:

On-Site activities will be carried out by Steriline according to the ordered scope of supply. Customer shall supply, at his own expenses and responsibility, the necessary auxiliary workers and technical means and shall do everything necessary to guarantee that the on-site activities and the related operations can start immediately after the arrival of Steriline technicians, and continue without interruption till its completion. Periods of idle wait are always intended at the Customer charge.

It is the Customer' duty:

- to complete all necessary work - of any nature - before the arrival of Steriline technicians and to provide all that is necessary to assure the safety of said technicians;
- to make available test materials, in the quantity and quality necessary for the completion of the on-site activities;
- to get the required connections (utilities, electrical power, fluids supply, etc.) ready;
- to get the required tools and equipment, including lifting and handling equipment ready;
- to make available rooms which can be locked for the safekeeping of tools belonging to Steriline technicians;
- to transport with suitable means the parts to be assembled to the site, assuring the protection against harmful influences of any kind;
- to sign the time-sheet Steriline technicians will be provided with, in order to ascertain the hours worked by said technicians.

Should the Customer not comply with the above obligation, the worked hours invoiced by Steriline must be considered valid and no objections shall be accepted.

On-site activities / Days exceeding what initially ordered will be managed as Change Request.

ART. 8 MEASURES FOR PREVENTION OF ACCIDENTS AT WORK:

Both Parties commits to take care of and to apply all safety measures to prevent any accidents at work and to protect the personnel employed for the on-site activities according to the laws in force. Customer commits to provide all safety information and guidelines necessary to protect the technicians employed for the on-site activities and to prevent accidents at work. Steriline will make sure its technicians follow all safety instructions while at site.

ART. 9 PRICES:

If not otherwise expressly stated in writing, all prices are meant to be net of Value Added Tax (V.A.T.), Ex-Works INCOTERMS (2020) Steriline facilities. The offered prices are quoted according to the current production costs at the time when the quotation was issued by Steriline. If, during the period between the date of the Purchase Order and the Factory Acceptance Test, there is any considerable increase (i.e., 5% more compared to the costs existing at the date of the Purchase Order) of the costs (materials and/or labour costs) related to the production of the offered machine(s) and/or filling line(s), Steriline is entitled to revise fairly the prices already offered and agreed with the Customer. Besides, Steriline is entitled to revise any agreed price in case of Change Requests coming from the Customer.

ART. 10 PAYMENT TERMS:

All payments shall be made at Steriline facilities within the contractual periods of payment.

Payment made to third parties not expressly authorized by Steriline are not accepted.

The project shall be put on-hold, at any time, in case of considerable and negative changes in Customer ownership.

The Customer is not entitled to suspend or delay payments for claims related to the project.

ART. 10bis LATE PAYMENT:

In case of whatever late payment (i.e. of any payment not made within the contractual periods of payment so as agreed by the Parties), the Customer shall pay the "interest for late payment" (hereinafter "IFLP") for each late payment.

The IFLP shall be equal to the sum of the reference rate (i.e. the interest rate of European Central Bank to its most recent main refinancing operation) plus 8 (eight) percentage points.

For the payments to be paid in the first semester of the year concerned, the applicable reference rate shall be the rate in force on 1st January of that year; for the payments to be paid in the second semester of the year concerned, the applicable reference rate shall be the rate in force on 1st July of that year.

The IFLP shall be calculated considering the amount due (i.e. the sum not paid within the contractual period of payment, including the applicable taxes, duties, levies or charges specified in the invoice or in the equivalent request of payment).

The IFLP shall be due without a necessity of reminder, from the day following the date or the end of the period of payment fixed in the contract.

ART. 10ter LETTER OF CREDIT AND/OR BANK GUARANTEE:

If for any payment due by the Customer it is agreed the issuance, at Customer's expenses, of a Letter of Credit or any other bank guarantee, the Letter of Credit (or the bank guarantee) shall be issued within the contractual period.

In case of delay, Steriline is entitled to suspending and/or stop any activity.

ART. 10quater TERMINATION DUE TO THE CUSTOMER'S BEHAVIOR:

Without prejudice to any other right and/or remedy granted by the applicable legislation and to the IFLP, Steriline may terminate the supply concerned, due to Customer grave breach of contract, when at least one of the following conditions occurs:

- a. the payment due is not paid within the contractual period of payment, provided that the late payment lasts more than 30 days from the contractual due date; and/or
- b. the Letter of Credit (or any bank guarantee) due by the Customer is not issued within the contractual period of issuance, provided that the delay lasts more than 30 days; and/or
- c. the FAT procedure cannot start and/or be completed within the agreed period, so as indicated by "ready for FAT notice" issued by Steriline, due to lack of cooperation of the Customer, provided that the delay lasts more than 60 days; and/or

- d. the equipment (and/or any machine) is not shipped and/or delivered (according with the applicable Incoterms agreed by the Parties) due to the Customer within the contractual period of shipment and/or delivery, provided that the late shipment and/or delivery lasts more than 60 days; and/or
- e. in case transport of the equipment is a Customer responsibility, the Customer doesn't collect the equipment (and/or any machine) within 60 days from the "ready to be shipped notice" issued by Steriline; and/or
- f. in case Steriline has to custody the equipment after FAT completion, in compliance to a specific agreement entered into with the Customer, if after the end of such agreement the Customer doesn't collect the equipment (and/or any machine) within 60 days from the "ready to be shipped notice" issued by Steriline.

In case Steriline issues the "termination notice due to Customer grave breach of contract", the termination concerned shall be in force the calendar day following the receipts thereof.

In case of termination according to the present article, any sum paid to Steriline shall be considered as liquidated damages (and not as a penalty), considering that all materials, goods and works are strictly made for the specific need of the Customer.

After the termination, in case it is necessary to delivery any material to the Customer, Steriline shall delivery such material as it is to the Customer's premises (so as indicated by the PO), if not otherwise required by this latter.

ART. 11 WARRANTY:

The warranty period will last as defined in the contract signed by the Parties and/or the Order confirmation according to Steriline's quotation. The warranty doesn't cover any issue which shall arise during the time in which there is an unfair and/or unlawful delay of payment of the Seller invoices.

During the warranty period Steriline will repair or replace at its own cost, the mechanical parts of the machines and the material and electronic components broken or defective due to faulty manufacturing. The warranty covers all structural machine components, but it is not extended to the parts subject to normal wear and tear.

The Warranty will not cover damages occurred on the Equipment in case:

- the machine and/or equipment are damaged by wrong actions carried out by Customer's staff, by using improper material, by improper use, by excessive exploitation and for all the causes beyond Steriline reasonable control;
- the machine and/or the equipment has not been used for the purpose it was delivered or according to Seller technical instructions;
- the Customer installs on the equipment devices not manufactured or approved by Steriline, or if the Customer modifies the equipment without Steriline written consent.

Steriline will provide for replacement or fixing of defective parts in the shortest time to be defined time by time and reserves the right to require the Customer to return the defective parts.

The warranty Repair or Replacement service will be carried out by specialized technicians proposed by Steriline. The Customer will provide, free of charge, all the assistance required by Steriline in order to carry out properly the activities connected to the warranty services.

ART. 12 STERILINE'S LIABILITY:

Except in case of fraud or gross negligence, Steriline shall not be liable for any loss of profit (actual or anticipated), loss of use, loss of production (including loss of hydrocarbons), loss of contracts, loss of opportunities, loss of revenue, cost of capital, costs of replacement, loss of goodwill, loss of reputation, loss of information or data, loss from any third party contracts, loss due to business interruption, loss of interest, loss of power, cost of purchased or replacement power, contractual claims from third parties or any indirect, incidental, special or consequential losses or damages arising from or in connection with its performance or non-performance under any Agreement agreed with the Customer and whether based upon contract, tort, or any other legal theory.

In any case, Steriline total cumulative liability for any act or omission, whether in contract, tort (including negligence or strict liability) or any other legal or equitable theory during the Term of any Agreement agreed with the Customer shall not exceed in the aggregate, the 5% (five per cent) of the total price paid by the Customer.

ART. 13 AFTER-SALES ASSISTANCE:

The after-sales assistance will be provided by Steriline Customer Service to the Customer, if required, according to Steriline conditions, price list and tariffs in force at the time of the request.

The after-sales assistance can be interrupted if the Customer installs on the equipment devices not manufactured by Steriline or if the Customer modifies the equipment without Steriline written consent.

Steriline reserves the right to interrupt any after-sales assistance, in case the payments, due to Steriline, are overdue.

ART. 14 SECRECY:

The Customer will not disclose to third parties any software and/or technical information (such as, but not only, drawings, brochures, manuals, prices, discount rates, other technical information and formulas) received by Steriline related to the project. The Customer cannot disclose any confidential information to third parties without Steriline consent.

Regardless, it is understood that engineering and know-how of the equipment and/or of the machine is an Intellectual Property owned by Steriline.

ART. 15 EXPORT CONTROLS:

The fulfilment of the project is subject to the following:

- all necessary export licenses, permits, licenses and other permissions being obtained by the Parties from the relevant authorities for the destination and intended use of the Equipment and/or Services;
- the issue or the grant of any permit or license required from any governmental or other regulatory authority;
- the performance shall not be prevented by impediments on the grounds of national and international legal requirements, including but not limited to export control regulations, customs requirements, embargoes or other sanctions.

The Customer shall comply with all relevant statutes, rules and regulations and by-laws affecting its obligations and the performance of the Contract (including any laws and regulations concerning the export, re-export or import of Equipment, technology or technical data and Services) and shall obtain at its own costs and expenses all necessary permits and licenses. Steriline may suspend performance if the Customer is in violation of applicable laws or regulations.

If the Customer transfers any component of the Equipment (also with regards to any hardware and/ or software and/ or technology as well as

corresponding documentation regardless of the mode of provision and including all kinds of technical support) delivered or performed by Steriline to a third party, the Customer shall comply with all applicable national and international (re-) export control regulations. In any event of such transfer of Equipment and/or Services, the Customer shall comply with the (re-) export control regulations of the Italian Republic, of the European Union and – if it is the case - of the United States of America.

Prior to any transfer of the Equipment and/or Services provided by Steriline to a third party, the Customer shall in particular check and guarantee by appropriate measures that:

- there will be no infringement of an embargo imposed by the European Union, by the United States of America and/ or by the United Nations by such transfer, by brokering of contracts concerning those Equipment and/or Services or by provision of other economic resources in connection with those Equipment and/or Services, also considering the limitations of domestic business and prohibitions of by-passing those embargoes; and

- such Equipment and/or Services are not intended for use in connection with armaments, nuclear technology or weapons, if and to the extent such use is subject to prohibition or authorization, unless required authorization is provided;

- the regulations of all applicable Sanctioned Party Lists of the European Union and the United States of America concerning the trading with entities, persons and organizations listed therein are considered.

If required to enable authorities or Steriline to conduct export control checks, the Customer, upon request coming from Steriline, shall promptly provide Steriline with all information pertaining to the particular end customer, the particular destination and the particular intended use of the Equipment and/or Services provided by Steriline, as well as any export control restrictions existing.

The Customer shall indemnify and hold harmless Steriline from and against any claim, proceeding, action, fine, loss, cost and damages arising out of or relating to any noncompliance with export control regulations by the Customer, and the Customer shall compensate Steriline for all losses and expenses resulting thereof.

ART. 16 FORCE MAJEURE:

"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 the conclusion of the contract; and [c] that the effects of the impediment could not reasonably have been avoided or overcome by the affected party.

In the absence of proof to the contrary, the following events affecting a party shall be presumed to fulfil conditions (a) and (b) under paragraph 1 of this Clause: (i) war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military mobilisation; (ii) civil war, riot, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy; (iii) currency and trade restriction, embargo, sanction; (iv) act of authority whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works, requisition, nationalisation; (v) plague, epidemic, natural disaster or extreme natural event; (vi) explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy; (vii) general labour disturbance such as boycott, strike and lock-out, go-slow, occupation of factories and premises.

A party successfully invoking this Clause is relieved from its duty to perform its obligations under the contract and from any liability in damages or from any other contractual remedy for breach of contract, from the time at which the impediment causes inability to perform, provided that the notice thereof is given without delay. If notice thereof is not given without delay, the relief is effective from the time at which

notice thereof reaches the other party. Where the effect of the impediment or event invoked is temporary, the above consequences shall apply only as long as the impediment invoked impedes performance by the affected party. Where the duration of the impediment invoked has the effect of substantially depriving the contracting parties of what they were reasonably entitled to expect under the contract, either party has the right to terminate the contract by notification within a reasonable period to the other party. Unless otherwise agreed, the parties expressly agree that the contract may be terminated by either party if the duration of the impediment exceeds 120 days.

ART. 17 APPOINTED FORUM:

Any controversy between Steriline and the Customer will be settled under the Court of Como (Italy) jurisdiction. The Court of Como will be also responsible for actions related to promissory notes, accepted bills of exchange and cheques issued for payment purpose, because they are intended as acts to facilitate the Customer for settlement and not as exception to "forum solutions".



Steriline S.r.l.

Via Tentorio 30 – 22100 Como – Italia – T +39 031592064
C.F. 01785440130 – P.I. IT 01900170133 – Registro Imprese di Como 25801
R.E.A. 221469 – Capitale Sociale € 26.000 i.v.