



## GENERAL TERMS AND CONDITIONS OF SALE

### Article 1 (Definitions and Commercial Terms)

#### 1.1. (Definitions). In these General Terms and Conditions of Sale

- (a) 'Armal' refers to Armal S.p.A. Unipersonale, a company incorporated under Italian law with registered office in Via Fiorentina 109, Certaldo (FI), Italy, VAT number/tax code 03922500487 and registration number with the Florence Register of Companies FI-399675
- (b) 'Products' means the goods marketed by Armal.
- (c) 'Seller' means the company Armal S.p.A. Unipersonale.
- (d) 'Purchaser' means the purchaser of the Products.
- (e) 'Parties' means collectively Armal and the Purchaser.
- (f) 'Agreement' means the Agreement for the Sale of Products consisting of the offer and/or proforma invoice sent by Armal to the Purchaser by email and duly accepted by the latter, the letter/email accompanying the offer/proforma invoice, as well as these General Terms and Conditions of Sale (latest revision published on the website [www.armal.biz](http://www.armal.biz)) which forms an integral part of the Agreement. The offer and/or proforma invoice must be signed by the Purchaser for acceptance and returned to Armal by email, or by other means that guarantees receipt.

**1.2. (Commercial Terms)** Any reference to commercial terms (such as EXW, CIF, DAP, etc.) shall be understood as a reference to the Incoterms of the International Chamber of Commerce, in the text in force on the date of conclusion of the Agreement.

### Article 2 (Conclusion and Content of the Agreement)

**2.1. (Conclusion of the Agreement)** The Agreement is concluded at the time and in the place where Armal receives the offer and/or proforma invoice duly signed by the Purchaser. Unless otherwise specified by Armal in writing, any offer made by Armal to the Purchaser in relation to the products shall remain valid and binding for a maximum period of 20 working days from the date of the offer, without prejudice to the Seller's right to revoke the same.

The Purchaser shall have no right of withdrawal. Therefore, in the event of a request to cancel the order, the purchaser shall be charged 50% of the amount specified for the same.

**2.2. (Contents of the Agreement).** These General Terms and Conditions of Sale and any special conditions of sale contained in the offer/proforma invoice ('Special Conditions') and in the accompanying letter/email constitute the entire agreement between the Parties in relation to this matter and supersede any other previous agreement between the Parties. In the event of any conflict between these General Terms and Conditions of Sale and the aforementioned Special Conditions, the provisions of the latter shall prevail.

**2.3. (General Terms and Conditions of Purchase).** The Purchaser's General Terms and Conditions of Purchase of the Purchaser, should they exist, can in no way whatsoever be applied to Armal's sales.

**2.4. (Intra-Community transfers).** In the case of intra-Community transfers, in order to comply with the requirements of Regulation 2018/1909/EU, the Purchaser shall indicate VAT identification number validly of the Purchaser registered in the VIES database. Failing this, Armal shall automatically subject the relevant order to VAT.

**2.5. (Amendments).** Any requests for amendments to the Agreement shall be deemed rejected unless expressly accepted in writing by Armal.

### Article 3 (Product Characteristics)

**3.1. (Product characteristics)** Any information or data on the characteristics and/or technical specifications of the Products contained in brochures, catalogues, websites, price lists, technical data sheets or similar documents shall be understood exclusively as general presentations intended solely to indicate the approximate quality of the Products, and shall be binding only to the extent that such data has been expressly referred to in the Agreement, excluding in any case the applicability of Article 1522 of the Italian Civil Code.

**3.2. (Changes after the Agreement is signed).** Armal reserves the right to make any changes to the specifications, design or materials of the Products that are necessary or appropriate in order to bring the Products into compliance with the requirements applicable from time to time in relation to the safety of the Product itself, as provided for by law or the regulations. In any case, it may make changes that do not alter the essential characteristics of the Products or substantially affect the quality or functionality of the same.

### Article 4 (Prices)



**4.1. (Prices)** The sales prices are established in Armal's price lists in force at the time of conclusion of the Agreement. Armal may communicate eventual price changes in accordance with the new price lists if the Purchaser requests a delivery term exceeding 30 (thirty) days. Unless otherwise agreed in writing, prices are intended for Products packaged in accordance with industry standards for the agreed means of transport and goods delivered ex-works, excluding VAT, if applicable. It is understood that any other expenses or charges shall be borne by the Purchaser.

**4.2. (Prohibition of Compensation)** The Purchaser may not compensate any claims it may have against Armal with the amount due for the Products, unless Armal has given its prior written consent.

#### Article 5 (Terms of Payment)

**5.1. (General Provision)** If the Parties have not specified the terms of payment in the offer and/or proforma invoice sent by Armal, or in the accompanying letter/email, payment shall be made by advance bank transfer to Armal's bank account. If the Parties have agreed on advance payment without further indications or if they have not specified the terms of payment, advance payment shall be deemed to refer to the entire price.

**5.2. (Documentary Credit).** If the Parties have previously agreed in writing to payment by documentary credit, the Purchaser shall ensure that an irrevocable and confirmed documentary credit (issued in accordance with the Uniform Customs and Practice of Documentary Credits of the ICC - International Chamber of Commerce) relating to Documentary Credits (N.U.U. – *Uniform Standards and Practices* text in force on the date of conclusion of the Agreement) is notified to Armal at least 15 (fifteen) days before the agreed delivery date. The documentary credit must be confirmed by an Italian bank accepted by Armal and be payable on demand, unless otherwise agreed in writing.

**5.3. (Payment Costs).** Unless otherwise agreed, any bank charges or commissions due in connection with payment shall be borne by the Purchaser.

**5.4. (Prohibition of Suspension of Payments).** It is understood that any possible complaints or disputes shall not entitle the Purchaser to suspend or otherwise delay payment for the Products subject of the dispute, nor, in any case, for other supplies.

**5.5. (Interest for Arrears).** Failure or delay in payment by the Purchaser may result in the automatic application of interest on arrears in accordance with Italian Legislative Decree 231/2002, without prejudice to the right to compensation for further damages.

#### Article 6 (Delivery and Complaints)

**6.1. (Delivery Terms).** Armal shall deliver the Products to the initial carrier within 45 (forty-five) days of receipt of payment, unless otherwise agreed at the time of conclusion of the Agreement, which Armal shall communicate to the Purchaser in writing.

**6.2. (Transport and Place of Delivery).** Unless otherwise agreed in writing, the supply of the goods shall be EXW (ex-works) as defined by the Incoterms (text in force on the date of conclusion of the Agreement) issued by the ICC (International Chamber of Commerce). In the event of payment by documentary credit, transport will be handled directly by Armal through its own trusted shipping agent and the customer shall reimburse the relative costs.

**6.3. (Transfer of Risk).** The risk related to the Products shall pass from the Seller to the Purchaser in accordance with the provisions established in the Incoterms (text in force on the date of conclusion of the Agreement) as previously agreed by the Parties.

**6.4. (Exclusion of Armal's liability for delays in delivery).** Armal shall not be held liable for delays in delivery by the carrier even if the Parties have agreed on Incoterms other than ex-works for the sale of the Agreement.

**6.5. (Taking possession)** The Purchaser expressly undertakes to take possession of the Products on the date agreed between the parties and indicated in the Agreement, preparing any document and/or deed necessary for this purpose. In the event of omission or delay on the part of the Purchaser, the delivery shall in any case be deemed to have been made and Armal, without prejudice to any further rights or remedies under the law or these Terms and Conditions, may, at its discretion, store the Products at its premises or arrange for storage by third parties until actual taking possession by the Purchaser. The Purchaser shall be required to reimburse Armal for all costs and expenses incurred in this regard, including, by way of example, all storage and insurance costs and expenses.

**6.6. (Export).** In the case of Products delivered 'ex-works' (INCOTERMS) intended for export outside the EU or for delivery within the EU, the Purchaser shall also be required (a) to provide Armal, within 10 calendar days of such export outside the EU/delivery of the Products within the EU, with all documentation proving the actual delivery of the Products to the final destination agreed in the Agreement, and, where applicable, (b) to notify Armal in writing of the failure of the carrier and/or forwarding agent to deliver the Products or of delivery to a place other than that indicated in the Agreement, within a maximum period of 60 days from the



date of the invoice for export of the Products outside the EU and by the 20th day of the month following the date of the invoice in the case of delivery of the Products within the EU.

**6.7. (Documents proving EU delivery).** More specifically, in order to comply with the obligations pursuant to clause 6.6 (a) above, the Purchaser shall send Armal a copy of the following documents:

- in the case of a full load: a copy of the CMR (Convention on the Contract for the International Carriage of Goods by Road) dated, stamped and signed in point 24;
- for groupage shipments: a copy of the POD (proof of delivery) dated, stamped and signed or a CRM copy drawn up by the Italian forwarding agent who took charge of the goods and certifying their exit from Italian territory.

**6.8. (Documents proving delivery outside the EU).** With regard to exports of Products to a country outside the EU, in order to comply with the obligations set out in clause 6.6 (a) above and to be able to verify the effective export of the Products from outside the EU territory within the legal terms, the Purchaser shall be required to provide Armal with a copy of the Export Accompanying Document (known as EAD) containing the Movement Reference Number (known as DAE) containing the Movement Reference Number, so-called MRN).

**6.9. (Penalties).** If the Purchaser fails to comply with the above terms, Armal shall be entitled to apply a penalty to the Purchaser equal to 22% (twenty-two) of the order in relation to which the Purchaser has failed to provide the documentation/declaration and/or communication referred to in clauses 6.7 and 6.8 above, without prejudice to the right to compensation for any greater damage suffered in the event that, by way of example, but not limited to, penalties are imposed on Armal.

**6.10. (Delays attributable to Armal).** If Armal anticipates that it will be unable to deliver the Products on the agreed date, it shall notify the Purchaser, indicating, where possible, the expected delivery date. It is understood that if the delay attributable to Armal exceeds 6 (six) weeks, the Purchaser will be entitled to terminate the Agreement and request a refund of the price paid for the Products the delivery of which is delayed, with 10 (ten) days' notice to be sent in writing to Armal. Any delay due to force majeure (as defined in Article 10) or acts or omissions on the part of the Purchaser (e.g. failure to provide the information necessary for the supply of the Products) shall not be considered attributable to Armal.

**6.11. (Complaints)** Any complaints regarding the condition of the packaging, quantity, quality or external characteristics of the Products (apparent and hidden defects) must be notified to Armal in strict observance of the instructions and deadlines set out in the text of the COMPLAINTS PROCEDURE - latest revision published on the website <https://www.armal.biz/company>.

## **Art. 7 (Retention of title)**

**7.1. (Retention of title)** The Products shall remain the property of Armal until full and final payment of the price and any additional sums due to Armal under the Agreement or these Terms and Conditions.

**7.2. (Right of Retention).** Armal may suspend delivery of the Products until the Purchaser has completed payment of all previous sales. In the same way, Armal shall have the right to request the return of Products for which the Price has not been paid in full or in part, pursuant to Article 1519 of the Italian Civil Code.

**7.3. (Prohibition of sale to third parties).** Until ownership of the Products has been transferred to the Purchaser, the latter shall be required:

- (i) not to sell, transfer or assign the Products to third parties or impose any restrictions on or in relation to the Products;
- (ii) to store the Products in compliance with the obligations of a custodian and separately from any other goods belonging to the Purchaser or third parties in order to render the ownership of the Products visible;
- (iii) where requested by Armal, to take out and maintain insurance on the Products against any type of risk, delivering a copy of the relevant insurance policy where requested; and
- (iv) not to destroy, alter, modify or obscure any trademark or other distinctive sign on or relating to the Products.

## **8. (Warranty for Defects)**

**8.1. (Warranty)** Armal undertakes to remedy any quality defect in the Products attributable to Armal, occurring within 12 (twelve) months after purchase of the Products (the term starts from the date shown on the sales invoice), provided that the defect has been promptly notified to Armal in accordance with the provisions of the COMPLAINTS PROCEDURE - latest revision published on the website <https://www.armal.biz/company>.

Armal may choose whether to repair or replace the Products found to be defective. Products replaced or repaired under warranty will be subject to the same warranty for a period of 6 (six) months from the date of repair or replacement (the term starts from the date of the repair/replacement invoice).

**8.2. (Absence of Specific Warranties).** Armal shall not guarantee the conformity of the Products with particular specifications or technical characteristics or their suitability for particular uses, except to the extent



that such characteristics have been expressly agreed in the Agreement or in documents referred to in the Agreement itself.

**8.3 (Consequences of Defects).** Except in cases of willful misconduct or gross negligence, Armal shall only be obliged to carry out, in the event of defects or lack of quality in the Products, the repairing of the Products or the supply of Products to replace those found to be defective. It is understood that the aforementioned warranty (consisting of the obligation to repair or replace the Products) covers and replaces any warranties or liabilities provided for by law, and excludes any other responsibility on the part of Armal (whether contractual or non-contractual) arising in any way from the Products supplied (e.g., labor costs, compensation for damages, loss of earnings, deductibles or penalties for non-delivery/non-fulfillment of contractual obligations, recall campaigns, etc., which shall be borne by the Purchaser).

**8.4 (Miscellaneous).** For anything not expressly provided for herein, please refer to the Armal WARRANTY - latest revision published on the website <https://www.armal.biz/company>.

## Article 9 (Intellectual Property Rights)

**9.1. (Definition of Intellectual Property Rights).** For the purposes of these General Terms and Conditions, Intellectual Property Rights shall mean:

(a) all trademarks, including logos, trade names, domain names, designs, whether registered or unregistered, or even just filed, ornamental models, patents and related applications, know-how, drawings, graphics, aesthetic or functional solutions, technical documentation, catalogs, photographs relating to the Products marketed by Armal or on behalf of Armal, as well as all Armals' confidential information and trade secrets.

**9.2. (Ownership of Intellectual Property Rights).** All intellectual property rights relating to the Products which, at the date of this Agreement, are owned by Armal, are and shall remain the exclusive property of Armal and/or its affiliated subsidiaries or parent companies, for the entire term of this Agreement and even after its termination.

**9.3. (Obligation to provide information).** The Purchaser shall promptly inform Armal of any infringement by third parties of Armal's Intellectual Property Rights.

**9.4. (Prohibitions for the Purchaser).** No provision of these General Terms and Conditions grants the Purchaser or its successors any right of ownership or use of Armal's Intellectual Property Rights.

In particular, the Purchaser undertakes:

- (a) not to use, register, or attempt to register, directly or indirectly, with any competent office, trademarks, trade names, designs, or patents for inventions relating to the Products or any part thereof, that are identical or confusingly similar to, or in violation of, Armal's trademarks, names, or other Intellectual Property Rights;
- (b) not to use directly, or allow or facilitate the use by third parties, of the Armal trademark or any other distinctive sign or Intellectual Property Right of Armal or that could be confused with the trademark or Intellectual Property Rights of Armal;
- (c) not include in its trade name or company name the Armal trademark or any distinctive sign or intellectual property right of Armal, or any sign that could be confused with any of the above;
- (d) not to incorporate companies or other entities with a name that is identical, similar, or otherwise likely to cause confusion with that of Armal or with Armal's Intellectual Property Rights;
- (e) not to engage in any commercial activity or practice, including communication to third parties in any form, that could cause confusion among consumers or the market regarding the origin, source, or ownership of the Products.

## Article 10 (Force Majeure)

**10.1. (Suspension of Performance).** Armal may suspend the performance of its contractual obligations when such performance is rendered impossible or unreasonably burdensome by an unforeseeable impediment beyond its control, such as strikes, boycotts, lockouts, fires, wars (declared or undeclared), civil wars, riots, and revolutions, requisitions, embargoes, power outages, or delays in the delivery of components or raw materials.

**10.2. (Communication)** Armal shall promptly communicate to the Purchaser in writing of the occurrence and cessation of any circumstances of force majeure.

**10.3. (Termination).** If the suspension due to force majeure lasts for more than 10 (ten) weeks, each Party shall have the right to terminate the Sales Agreement, subject to 10 (ten) days' notice, to be communicated in writing to the other Party.

## Article 11 (Tolerance)





**11.1. (Tolerance).** Any tolerance by Armal of conduct that constitutes a breach of one or more clauses of these General Terms and Conditions shall not be interpreted as a waiver of the rights to which it is entitled under this Agreement, nor as tacit acceptance of the breach itself. Such tolerance shall not affect Armal's right to demand at any time the exact fulfillment of the contractual obligations and to take action to protect its rights.

#### **Article 12 (Obligation to comply with Model 231 and the Code of Ethics)**

**12.1 (Compliance with the Code of Ethics and the Organization and Management Model).** The Purchaser undertakes to comply in full with the principles and provisions contained in the 'Code of Ethics' and the 'Organization, Management, and Control Model pursuant to Legislative Decree No. 231 of June 8, 2001', adopted by Armal S.p.A. and available on the Company's website [www.armal.biz](http://www.armal.biz), which it declares to be aware of and to accept entirely, refraining from any conduct contrary to the same.

**12.2 (Non-compliance and express termination).** Failure by the Purchaser to comply with this obligation constitutes a serious violation of this contract and constitutes grounds for termination of the Agreement pursuant to and for the purposes of Article 1456 of the Italian Civil Code.

#### **Article 13 (Law and Jurisdiction)**

**13.1. (Applicable Law).** All Sales Agreements entered into between Armal and the Purchaser are governed by Italian law.

**13.2. (Competent Court)** Any dispute arising from or in connection with the Sales Agreement shall be submitted to the exclusive jurisdiction of the Court of Florence, Italy.

#### **Art. 14 (Personal Data Processing)**

**14.1 (data processing).** Please be informed that the personal data provided, or otherwise acquired in the course of our business, are processed by Armal S.p.A. (as Data Controller) in compliance with Legislative Decree 196/2003 and subsequent amendments and additions (as amended by Legislative Decree 101/2018) and EU Regulation 2016/679 (GDPR), and they will be processed exclusively for the execution of the agreement.

The data will be processed for the entire duration of the contractual relationship and also subsequently for the fulfillment of legal obligations and/or for administrative, accounting, and tax purposes.

The relative information is available on the website <https://www.armal.biz/privacy>

**The following clauses are expressly included in the offers issued by Armal and signed by the Purchaser pursuant to Article 1341, subsection 2 of the Italian Civil Code.**

2.1 (Conclusion of the Agreement)	7.2 (Retention of title)
3.1 (Product Characteristics)	8 (Warranty for Defects)
4.1 (Prices)	9.4 (Prohibitions)
5.4 (Prohibition of Suspension of Payments)	10.3 (termination)
5.5. (Interest for Arrears)	11 (Tolerance)
6.4 (Exclusion of Armal's liability for delays in delivery)	12 (Obligation to comply with Model 231 and the Code of Ethics)
6.5 (Taking possession)	13 (Law and Jurisdiction)
6.9 (Penalties)	
6.11 (Complaints)	