

ALA General Terms and Conditions of Sale

1. **Applicability:** These General Terms and Conditions of sale ("GTC") apply and shall deemed to be incorporated in all of the orders for sale issued by ALA, all of the purchase orders issued by the Customer or any other mean capable to generate a commercial transaction ("Order(s)", received by ALA S.p.A. and its subsidiaries and affiliated companies (hereinafter referred to as "The Company" or "ALA") from the Customers (hereinafter referred to as "Customer"), (hereinafter collectively referred to as the "Parties"), for the supply of goods or the performance of services (hereinafter, referred to as "Products"/"Services" or more generally "the Supply"). The Order constitutes an offer by the Customer to purchase the Goods in accordance with these Conditions, which apply to the Contract to the exclusion of any other terms and conditions that the Customer seeks to impose or incorporate, or which are implied by law, trade custom, practice or course of dealing. These GTC shall deemed to be expressly accepted despite of being crossed out/amended, not enclosed with and not signed when the Order is sent. Any amendment to these GTC shall be agreed in writing between the Parties.

2. **Quotations:** A quotation for the Product/Services given by ALA shall not constitute an offer. A quotation by ALA shall only have a validity of 30 (Thirty) Calendar Days from its date of issue, unless otherwise agreed in writing by ALA. At its sole discretion, ALA reserves the right to withdraw a quotation at any time prior to the Order acceptance. By requesting a quotation the Customer will expressly accept these GTC. Under no circumstances ALA shall accept a request for quotation or an Order for a value less than \$.€€. 50,00 or single lines of Order for a value less than \$.€€. 25,00.

3. **Order Acceptance:** The Order shall only be deemed to be accepted when ALA issues a written acknowledgment of the Order, at which point the Contract shall come into existence. The Customer is responsible for ensuring that the terms of the Order and references therein to any applicable Specification are complete and accurate. By acceptance of the Order, ALA undertakes to supply the Products/perform the Services in accordance with these GTC, with no exceptions, reserves and/or derogations. It is accepted that the Order shall be subject to a quantity tolerance of +/- 10%, expressly accepted by the Customer, with no need of communication and without prejudice to ALA's legal obligations. Any samples, drawings or advertising produced by ALA and/or by ALA's Suppliers and any illustrations contained in ALA's catalogues and/or brochures and/or ALA's Supplier's catalogues and/or brochures are produced for the sole purpose of giving an approximate idea of the Products referred to in them. They shall not form part of the Contract nor have any contractual force. The Customer's terms and conditions contrary to or deviating (in part or totally) from these GTC, albeit included in the correspondence between the Parties, are deemed to be, by express agreement between the Parties, explicitly not applicable. Upon acceptance, the Order shall constitute the entire agreement between the Parties and shall supersede any prior communications or representations between the Parties. The Customer waives any right it might otherwise have to rely on any term endorsed upon, delivered with or contained in any documents of the Customer that is inconsistent with these Conditions. Upon acceptance of the Order, under no circumstances, the Customer is entitled to cancel or reschedule the Order. ALA, in the endeavour to serve the Customer's needs, shall make any effort to satisfy the Customer's requirements therefore. Any amendment, howbeit partial, to the Order shall be effective and binding through the execution of a written agreement between the Parties. In case of any inconsistency between the provisions of the GTC and the provisions of any applicable agreement valid for the subject of this Supply, the following hierarchy shall apply: 1) the Contract of Supply; 2) these GTC, 3) any other documents

4. **Delivery Terms:** Delivery terms and lead-times will be advised by written order acknowledgment and ALA, barring any unforeseen circumstances, shall abide to them. Written notification of any change thereof shall release ALA from any liability. Any dates quoted for delivery are approximate only, and the time of delivery is not of the essence. ALA shall be entitled to deliver in advance of the contractual delivery date by up to 30 (Thirty) Calendar Days.

ALA shall not be deemed to be responsible or in any way liable for any delay in delivery or non-delivery of the Supply that is caused by the Customer's failure to provide ALA with adequate delivery instructions or any other instructions that are relevant to the supply of the Products/Services. If the Customer fails to accept delivery of Goods/Services within 7 Calendar Days of ALA notifying the Customer that the Goods are ready, then, except where such failure or delay is caused by a Force Majeure Event:

(a) delivery of the Goods/Services shall be deemed to have been completed at 9:00 am on the eighth Calendar Day after the day on which ALA notified the Customer that the Goods/Services were ready; and (b) ALA shall store the Goods until delivery takes place, and charge the Customer for all related costs and expenses, including insurance.

The risk in the Supply, including loss and damage, shall pass to the Customer on completion of delivery according to the shipping Incoterms specified in the Order. Delivery shall constitute Customer's formal acceptance of the Supply. The Customer shall inspect the Products and any non-conformity or fault shall be notified to the ALA in writing within 7 (seven) Calendar Days of the delivery failing which, the Customer shall be deemed to have expressly accepted the Products as being in accordance with the Order.

5. **Price, Invoicing and Payments:** Unless otherwise specified in the Order, the Prices shall be subject to review and ALA may, by giving notice to the Customer at any time before delivery, increase the price of the Supply to reflect any increase in the cost of the Supply that is due to:(a) any factor beyond the Supplier's control (including foreign exchange fluctuations, increases in taxes and duties, and increases in labour, materials and other manufacturing costs);(b) any request by the Customer to change the delivery date(s), quantities or types of Products ordered, or the Specifications; or (c) any delay caused by any instructions of the Customer or failure of the Customer to give the Company adequate or accurate information or instructions. ALA shall issue and send, within the terms prescribed by the applicable laws, the invoice for the Products/Services, bearing the reference data of the Order and the freight documents. Payment of the invoice, unless otherwise agreed in writing, must be made in advance of delivery to the bank account nominated in writing by ALA, in full and cleared funds without any deduction, or withholding. In the event of partial payments the Products shall be deemed as not paid. Title to the Products shall not pass to the Customer until ALA receives payment in full (in cash or cleared funds) for the Products and any other products/services that ALA has supplied to the Customer in respect of which payment has become due, in which case title to the Products shall pass at the time of payment of all such sums. If the Customer fails to make a payment according to the terms detailed in the Order, without limiting ALA's remedies under Art 12 (Termination), the Customer shall pay interest on the overdue sum from the due date until payment of the overdue sum, whether before or after judgment. Interest under this Art 4 will accrue, at the highest rate, in the measure indicated by ART. 2 of Legislative Decree 192/2012 of the Laws of Italy and shall be automatically debited in further invoices.

6. **Specifications and Conformity of Products/Services, Documentation and Quality Requirements:** ALA shall endeavour to exclusively trade products from approved sources and shall guarantee the lot traceability unless otherwise indicated in the quotation. Certificates of Conformity are included in the Order price and shall be promptly provided to the Customer. The Parties conventionally rely upon the specifications as guaranteed by the manufacturer. The Customer undertakes to verify the conformity of the Supply to its requirements and to the intended use. The Parties agree that in case of non conformity or any defects of the Products ALA shall have no further liability aside from replace the products or refund the price to the Customer, according to these GTC.

7. **Applicable warranties:** ALA shall provide the Customer with an equivalent relief warranty from the manufacturer, as detailed in the acceptance of order and, in any case, for a period not exceeding 24 months. During the warranty period ALA, compatibly with the rights recognised by the manufacturer warranty, shall assist the Customer for any needs for repair or replacement of defective Products or for non-conformity. The Customer shall notify ALA within five (5) Calendar Days of the finding of any non-conformity. ALA shall progress the request to the Producer to claim the warranty. The warranty shall lapse if the defect and/or non-conformity of the Supply is due to the Customer's negligence or malice also with reference to the storage and inappropriate use. The warranty also lapses if the Customer will not comply with the terms of those GTC, to be deemed in favour of ALA.

8. **Returns:** In order to return a product under warranty, the Customer shall inform ALA describing the non-conformity within 30 days of the delivery and shall return the product upon receipt of a RMA valid number, generated by ALA once satisfied that the defect/non-conformity, claimed by the Customer, is included in the warranty. Products returned to ALA without a valid RMA number shall not be accepted. The Parties agree that, acknowledged the defect/non-conformity, ALA shall have no further liability aside from replace the products or refund the price to the Customer according to these GTC and no further warranty shall be provided.

9. **Taxes and duties:** The Customer shall be liable for any and all taxes, assessments, duties or other similar levies or charges, imposed by any governmental authorities on or in respect of the Supply. In the case of applicable exemptions, the Customer shall provide ALA with the relevant documentation and assistance for the completion of the exemption procedures and shall indemnify ALA against any liability and/or expenses

10. **Limitation of liability:** Under no circumstances, by express agreement between the Parties, ALA shall be deemed liable for any violation of rights, damage and/or loss caused, in any form, by the Supply. The Customer herewith waives any right of redress on ALA, indemnifies ALA for any claim directly or indirectly connected with the Supply and agrees to compensate ALA for any associated cost, including legal costs.

11. **Waiver - forbearance:** A written waiver of any of the provision of these GTC or of any right or remedy provided under these GTC or by law shall not constitute a waiver of any other provision, unless expressly stated to the contrary, nor shall it prevent or restrict the further exercise of that or any other right or remedy. Any indulgence or forbearance by ALA of any non-compliance by the Customer under these GTC shall not be construed as a waiver of any right or remedy provided under these GTC, not shall it impair such right on future occasions.

12. **Severability of provisions:** If at any time any one or more of the provisions contained in these GTC shall for any reason under any applicable law, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the validity and/or enforceability of the remaining provisions. The Parties shall agree in bona fide mutual satisfactory terms to replace such ineffective provision, only to the extent of such invalidity, illegality or unenforceability and endeavouring to preserve the original interpretation of the provision.

13. **Termination:** Without limiting its other rights or remedies, ALA may suspend the provision of Products/Services and/or cancel the Order, partially or in full, with immediate effect by giving written notice to the Customer if: a) the Customer commits a material breach of these GTC; b) the Customer is in breach of any applicable law; c) the Customer's financial position deteriorates to such an extent that in the Supplier's opinion the Customer's capability to adequately fulfil its obligations under the Contract has been placed at risk and/or in the event of suspension of the Customer's business, insolvency, declaration of bankruptcy, liquidation proceedings by or against the Customer and d) for ALA's convenience. In case of termination for a Customer's breach of these GTC, ALA shall have the right to recover any costs, charges or expenses incurred as a result of the termination. In case of suspension, reschedule or cancellation of provision of the Supply from the manufacturer and, in any case of impediment to the provision of the Supply, ALA, without notice, may suspend, reschedule or cancel the orders with no liability and notifying the Customer within 5 (five) days of the event.

14. **Penalty:** If the Customer fails to make a payment due to ALA under the Order by the due date, then, without limiting the ALA's remedies under Article 12 (Termination) and its right to claim damages, the Customer shall pay default interest on the overdue sum according to Legislative Decree n. 192/2012 or any other applicable law.

15. **Force Majeure:** Neither party shall be liable to the other for damages arising from delay in delivery or any other non-performance under the Order due to causes beyond its control and without its fault or negligence, including but not limited to acts of God or of the public enemy, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusual severe weather. In such circumstances the time for performance shall be extended by a period equivalent to the period during which performance of the obligation has been delayed or failed to be performed. If the Customer invokes the Force Majeure clause, it shall indemnify ALA against all liabilities, costs, expenses and losses, shall make all payments due within 5 (five) Calendar Days of the notification and shall accept all the orders that ALA is unable to cancel.

16. **Confidentiality, Media and Personal Data Protection:** All the information provided by ALA, including the Quotation and the Orders together with the response received, regardless of its nature and origin, is to be considered strictly Confidential, and must, therefore be used exclusively to the purpose of the Supply. Therefore, all the documentation provided to the Suppliers with the RFQ and the Order and the information contained herein or otherwise exchanged between ALA and the Supplier may not be published, divulged, disclosed, reproduced, in any way or used for other purposes with any Third Party without ALA prior written consent. Publication of excerpts is also prohibited. The Customer shall be liable for damages caused to ALA owing to a violation of the confidentiality obligation and agrees to compensate ALA at its request.

17. **Assignment:** The Customer shall not be entitled to subcontract, transfer, mortgage, charge, delegate the Order as well as any obligation and/or right arising from the Order to third parties, without ALA's prior written consent and the Customer's responsibility remaining unchanged. The parties agree that ALA is expressly entitled to transfer credit from the Customer to third parties.

18. **Import/Export Laws:** The Parties in performing their respective obligations under these GTC and Order(s), both shall comply with all applicable laws, being they international, supranational (including the European Union), national, federal, state issued in the form of laws, decrees, statutes, regulations and local orders export control and sanctions laws, regulations, and orders, as they may be amended from time to time, applicable to the export and re-export of defence articles and services. If any Product/Service is subject to the abovementioned export control and sanctions laws, regulations, and orders, the Customer shall promptly inform ALA and shall be responsible to timely obtain all necessary licenses and or authorisation from the relevant authorities and, shall indemnify ALA against any liability. The Customer agrees that Products will not at any time directly or indirectly be used, exported, imported, sold, transferred, assigned or otherwise disposed of in a manner which will result in non-compliance with any export control laws and regulations or with any sanctions law.

19. **Ethical standards:** ALA, which operates in full compliance with current legislation, requires that the Customer shall be in compliance with any applicable law and ALA Code of Ethics. In particular, the Customer must comply with anti-corruption and anti-bribery regulations applicable to the contract parties. Failure to do so will entitle ALA to withdraw from the contract.

20. **Applicable law and jurisdiction:** Orders accepted by ALA are issued as exclusive execution of the present GTC, shall be governed by the Laws of Italy, without regard to conflict of laws and excluding the United Nation Convention on International sale of goods (CISG). In the event of disputes arising out of or in connection with the Order and/or these GTC, the Parties shall use their best endeavours to resolve the dispute amicably. In the event that an amicably agreement cannot be reached within 60 (sixty) calendar days, each party irrevocably agrees that the Court of Naples (Italy) shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with the Order or its subject matter or formation. The Parties agree that under no circumstances a legal claim shall commence after 12 months of the delivery of the disputed Supply.

Date _____ Print name _____ Customer Signature _____

These GTC have been discussed and expressly agreed between the Parties, accordingly Articles 1341 and 1342 of the Italian Civil Code are not applicable. Moreover, the Customer specifically approves the following Articles: 5 (Price, Invoicing and Payments); 10 (Limitation of liability); 13 (Termination); 14 (Late delivery Penalty); 16 (Confidentiality, Media and Personal Data Protection); 17 (Assignment); 20 (Applicable law and jurisdiction).

Customer acceptance _____