

GENERAL CONDITIONS OF PURCHASE OF OFFICINE FACCO & C. S.P.A.

Article 1 - Subject

1.1 These general conditions of purchase (hereinafter the "**General Conditions**") establish the terms and conditions governing the purchase of goods (the "**Goods**") and/or of services (the "**Services**") by Officine Facco & C. S.p.A., with registered offices at Via Venezia 30, 35010 Marsango di Campo San Martino (PD - Italy) (hereinafter "**Facco**"), from any supplier (the "**Supplier**", and, together with Facco collectively the "**Parties**", and each individually, a "**Party**"), and with reference to any order relating the supply and/or sale to Facco of Goods and/or Services (the "**Order**") accepted by the Supplier. Any supply condition contained in Supplier's offer, quotation, order confirmation or in any other document, which differs in whole or in part from the terms and conditions of these General Conditions, shall be valid only in case of specific written acceptance by Facco. Furthermore, in the event of conflict between these General Conditions and the Supplier's general conditions of sale, these General Conditions shall prevail.

1.2 The validity of any oral agreements, including amendments and additions to these General Conditions, is subject to the express written confirmation by Facco.

Article 2 - Orders - tacit confirmation and offers

2.1 Orders shall be sent by Facco exclusively in writing. Each order must be confirmed by the Supplier in the shortest time possible and in any event not later than 3 (three) working days from its reception, by telefax or e-mail, after which the Order will be considered tacitly accepted by the Supplier.

2.2 The Supplier's quotations and offers will be binding for the Supplier as soon as they have been received by Facco, but cannot be considered confirmed until they have been expressly accepted in writing by Facco.

Article 3 - Deliveries - performance of the order

3.1 Unless otherwise provided for in the Order, the Goods will be delivered DAP (Incoterms® 2020) to Faccos' premises indicated in the Order.

3.2 The Goods must be delivered with packaging and labelling appropriate to the chosen method of transport, and must be insured against natural disasters and transport risks. In case of transport of dangerous goods, the relevant ADR regulations (where applicable) must be observed. Any pallets and other materials supplied by Facco for handling or transporting the Goods shall remain the property of the same, and must be returned to it. The Supplier undertakes to supply the Goods and to perform the requested Services in compliance with the terms and conditions indicated in the Order and in these General Conditions. The Supplier shall make the Goods available in a timely manner, taking into consideration the loading and transport time to be agreed upon with the carrier.

3.3 It remains in any case understood that if the Supplier is late in the performance of the supply as compared with the agreed terms and/or delivers the Goods in places or to recipients that are different from those indicated by Facco, the latter may refuse to accept the supply and may request full compensation for damages. The Supplier shall immediately inform Facco's purchasing office if difficulties



arise, or if it foresees that they may arise, which may hinder its possibility to supply the Goods or Services in a timely manner and with the required quality. This shall not, however, release the Supplier from the responsibility for the delay in the performance.

3.4 The Supplier, together with the supply, shall deliver to Facco all the documentation and certification necessary and suitable for its regular use (such as, by way of example but without limitation, instruction and operation manuals, installation and assembly manuals, warranty certificates, certificates of origin, etc.), as well as the delivery note reporting the order number, quantity and identity of the Goods, the item code and the production lot of the Goods, if any. A copy of the delivery note shall also be transmitted in electronic format to the agreed address. The Order will not be considered processed until the Supplier has provided Facco with all the documentation and certification of the Goods or Services.

Article 4 - Supply of Services

The Supplier must supply the Services directly through its company. The Supplier may subcontract the supply of the Services to third parties only with Facco's prior written consent. In case of subcontracting, the Supplier will be liable towards Facco for the activity carried out by the subcontractor as if the Services had been performed by the Supplier itself.

Article 5 - Price and payments

5.1 Unless otherwise agreed, the prices are intended with delivery "to the place of destination" (DAP, Incoterms® 2010) and include packaging, labeling costs, loading of the products, insurance and any other expense related to the Goods and their supply. If in the Order the indication of the prices of the Goods does not include the transport costs, or if a different term of delivery of the Goods is provided which sets the transport costs at Facco's charge, the shipment shall be made at the lowest possible cost, subject Facco's written approval. If in the Order a specific way of delivery of the Goods or a specific carrier or a particular route has been designated, the Supplier shall make sure that everything is done at the lowest possible cost. The Supplier assumes all risks of loss or damage to the Goods until they have been received by Facco, or Facco's representative, at the agreed delivery place in accordance with the Order.

5.2 The prices agreed upon by the Parties shall not be modified, unless it has been otherwise agreed to in writing on a case by case basis. If for a supply the compensation has not been set at a fixed price, but according to the expenses incurred and proved by the Supplier, the Supplier shall keep his compensation request within the total offer or quotation approved by Facco. Any additional costs will be accepted by Facco only if previously approved in writing.

5.3 The payment is subject to Facco's verification of the invoice. The Supplier will send the invoice to Facco at the agreed address with the following essential information, such as (i) Supplier's company name (completed with VAT number), (ii) Order number, (iii) delivery note number, (iv) quantity and identity of the Goods or description of the Services rendered, (v) unit prices and total amount, (vi) possible indications of the VAT exemption document, (vii) bank details useful and necessary to make the payment.

Article 6 - Inspections, Guarantees, claims for defects and liability towards third parties



6.1 The acceptance of the Goods and/or Services is subject to inspection and control by Facco in order to verify the compliance of the supply to the agreed requirements, the absence of faults and defects and the completeness and regularity of the supply. It is understood that any inspection and control and any payment by Facco shall not be construed as releasing the Supplier from the warranty obligation provided for in these General Conditions or in the individual Orders or however due by law, nor shall they preclude Facco's right to refuse the Goods and/or Services and to exercise the remedies provided for by these General Conditions or by law. If the Goods are subject to tests and inspections, such tests and inspections shall be carried out by the Supplier in accordance with the specifications, standards, protocols agreed upon with Facco and the applicable regulations, and any document issued by the Supplier shall be completed with the required data and duly signed by the Supplier.

6.2 By accepting the Order or by sending the offer or the quotation, the Supplier also declares and guarantees:

- (a) that it has the necessary technical/technological knowledge for the timely performance of the supplies requested by Facco;
- (b) that the Goods, or in any case the result obtained from the performance of the Services, do not violate any intellectual property right, patent or industrial secret of any kind related to the processes for the manufacture of the Goods or the performance of the Services;
- (c) to be able to validly transfer to Facco the full ownership of the Goods subject of the order;
- (d) that the Goods are (i) free from any charge or encumbrance, (ii) suitable and compliant with the applicable standards and the use for which they were purchased, (iii) compliant with the drawings, specifications and instructions given by Facco or attached to the order, (iv) free from any fault, defect in material or workmanship that would diminish their value and/or make them not suitable, even partially, for their intended use, (v) produced and assembled in compliance with applicable laws;
- (e) in the case of Orders for Services, that the Services will be performed in a workmanlike manner and will comply with: (i) the requirements set out in these Terms and Conditions and in the Orders and agreements; (ii) the standards of performance and the diligence of a professional operator in the sector; (iii) the applicable laws and other standards.

6.3 The period of validity of the representations and warranties set forth in the Paragraph 6.2 above is 18 (eighteen) months starting from the delivery to Facco's premises indicated in the Order (or to the other agreed place). In accordance with article 1495 of the Italian civil code, Facco's term for the notice of defects to the Supplier is 30 (thirty) working days from the discovery of the defect or non-conformity.

6.4 If the Goods or Services provided are affected by defects, or do not conform, or violate any representation and warranties made by the Supplier pursuant to these General Conditions or the Order, without prejudice to any other remedy provided by law, the Supplier shall, as promptly as possible and in



any case no later than the term reasonably indicated by Facco, proceed with the elimination of the lack of conformity or the replacement of the Goods or the compliant provision of the Services.

6.5 If within the abovementioned term, the Supplier fails to provide, or declares itself unable, to remedy the defect, Facco, at its own discretion and without prejudice to any other remedy provided by law, shall have the right to: (i) immediately terminate the supply agreement of the Goods and / or Services in accordance with article 1456 of the Italian Civil Code, (ii) obtain a reduction of the price, or (iii) provide for itself or through third parties to eliminate the defects in the Goods, or the compliant provision of the Services, at the sole expense of the Supplier. Should Facco incur expenses due to the defective delivery of the Goods, in particular transport, shipping, processing, labor, assembly and disassembly costs, materials or costs for inspections and checks, the aforementioned expenses will be borne by the Supplier.

6.6 The Supplier undertakes to indemnify and hold Facco harmless from any damage, loss, cost and/or expense of any kind (including legal expenses) borne by Facco that are connected, directly or indirectly, with the Goods or Services provided or that derive from the breach of the guarantees provided for and the undertakings given by the Supplier in these General Conditions, or deriving from action, omission or negligent conduct of the Supplier (or of the people or entities to whom the Supplier has subcontracted the performance of the Services) relating to the Goods or Services supplied.

6.7 Facco may at any time, even without prior notice, during normal working hours, conduct inspections at the Supplier and/or the entities to whom it has entrusted the manufacture of the Goods in order to verify the ongoing progress of the supply and that all applicable specifications and regulations are respected during all phases of the supply. Facco will have the right to suspend the supply if during the inspections it finds that the supply is not done in strict compliance with what is indicated in the purchase orders and other documents provided. It is understood that these inspections will not affect in any way Facco's rights provided for by these General Conditions and the law.

Article 7 – Intellectual property rights and confidentiality

7.1 The Supplier warrants to Facco that the Goods supplied have not been manufactured in breach of patents or any third party's intellectual property rights.

7.2 Should Facco provide the Supplier with materials, equipment, tools, drawings, models, specifications and data for the production of the Goods or provision of the Services (the "**Materials**"), such Materials are and shall remain the exclusive property of Facco, shall be used only for the purpose of the proper supply of the Goods or Services to Facco and shall be promptly returned upon Facco's request and in any case upon completion of the supply or termination of the agreement for any reason. All rights in the Materials are and shall remain the exclusive property of Facco and no right or license, express or implied, is granted to the Supplier as a result of Facco's delivery of the Materials, placement of the Order or receipt of the Supply.

7.3 The Supplier shall keep strictly confidential all information made available by Facco (including, without limitation, documents, data, contracts, deeds of provenance, reports, estimates, provisional estimates and analyses, operational data, trade secrets, know-how, drawings, projects, market reports, manuals,



commercial policies and procedures, data that can be learned from objects, documents or software and any other information or experience), including the Materials and the results of the work performed on the Goods supplied or Services provided (collectively the "**Confidential Information**"), unless this information (i) is or becomes available to the public through no fault of Supplier; (ii) has come to Supplier's attention from another source of information of which it was legitimately in possession and without limitation; (iii) is required to be disclosed by order of a Judicial Authority . The Supplier agrees to extend this obligation to its sub-suppliers, should they become aware of such information.

Article 8 - Termination

In addition to the cases provided for by these General Conditions and in particular by Paragraph 6.5 above, Facco reserves the right to withdraw from the Order and immediately terminate the supply in accordance with article 1456 of the Italian civil code by simply sending the Supplier a written notice (i) in case the Supplier does not fulfill any term or condition of the supply, or (if such non-fulfillment is remediable) does not remedy such non-fulfillment within five (5) working days from the written notice of non-fulfillment; (ii) in the event of Supplier's insolvency; (iii) in the event that Supplier is in default due to a force majeure event that continues by more than fifteen (15) days; or (iv) in the event that Supplier suspends or ceases or is about to suspend or cease all or a substantial portion of its business.

Article 9: Applicable law and jurisdiction

9.1 The supply relationship existing between the Parties and relating to the goods and services, as governed by these General Conditions, is regulated by Italian law.

9.2 Any dispute which may arise between Facco and the Supplier relating to the interpretation, validity and/or the performance of an Order or a supply deriving from these General Conditions or connected to them, will be exclusively submitted to the Court of Padua, with the express exclusion of any other competing or alternative jurisdiction.

Signed for acceptance

The Supplier

Date: _____

In accordance with and for the purposes of articles 1341 and 1342 of the Italian Civil Code, the Supplier declares that it expressly approves the following provisions: 2.1 (tacit acceptance of the Order by the Supplier); 6 (Supplier's representation and warranties - duration of the Supplier's guarantee - term for Facco to claim for defects - indemnity undertakings and holding harmless of the Supplier); 7 (Supplier's guarantee of no breach of third parties' intellectual property rights - prohibition for the Supplier to use Facco's Materials with third parties - Confidentiality); 8 (termination clause); 9 (Applicable Law and Exclusive Jurisdiction).



FACCO

POULTRY EQUIPMENT

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Signed for acceptance:

The Supplier

Date: _____

