

## GENERAL TERMS AND CONDITIONS OF SALES FOR GOODS

### 0. SUBJECT

The present 'General Terms and Conditions of Sales for Goods' (hereinafter called 'GTC') are applied to all offers/quotations and to all contracts of sales of Goods effected by ITISTRAP SRL with legal address in Via Capovilla 73/bis 36030 Villaverla (VI) Italy VAT Number/Fiscal Code IT02808790246 (hereinafter 'ITISTRAP' or 'the Supplier' ) in favour of customers (hereinafter called the 'Client/s' or 'Buyer/s' or 'Destinee') with subject: polyester (PET) strap in various sizes, polypropylene (PP) strap, steel strap, battery or pneumatic strapping tools with related spare parts, strap dispensers, cardboard edge protectors (Hereinafter called 'Goods' or 'Products')

- Each supply or sale effected by ITISTRAP are deemed to be regulated by these GTC save otherwise specified in the particular conditions contained in Order Confirmation and/or technical specification of the Products .

### 1. ORDERS AND EXECUTION OF THE CONTRACT:

- 1.1. These GTC are expressly accepted by the Buyer when ITISTRAP sends its proposal/quotation to the Buyer .
- 1.2. The Client acknowledges and accepts these GTC as the only terms and conditions regulating the purchase of Supplier's Goods
- 1.3. Each order issued by the Buyer in favour of ITISTRAP implies the acceptance, without exceptions, of these GTC.
- 1.4. In no case any general condition of purchase in any manner inserted, mentioned, quoted in the Client's correspondence and forms shall be considered as applicable in the supply of ITISTRAP's Products
- 1.5. Save a shorter validity is expressly indicated in ITISTRAP's documents, Proposal/quotation is valid and effective only if the complete and definitive Purchase Order is sent by the Buyer to the Supplier within 30 (thirty) days from the date of proposal/quotation. The shipment date/s shall be fixed only in order Confirmation when the official Purchase Order is received.
- 1.6. It is understood that the Client is solely and fully liable for the choice of the technical specifications/characteristics and shall keep ITISTRAP harmless from any claim that any third party may raise in connection to wrong, mistaken, improper specifications. In no case the Supplier may be held liable or responsible for any verbal or written comment or suggestion given in relation to the technical specifications, unless such activity is expressly agreed in writing as part of a collateral consultancy agreement.
- 1.7. The contract of supply is considered executed only after ITISTRAP sent the Order Confirmation to Client.

### 2. PRICES

- 2.1. Prices and currencies are those indicated in Order Confirmation. Unless otherwise stipulated, the prices of the Goods neither include the VAT (Value Added Tax) amount nor other taxes, duties etc related with the Goods or the supply (hereinafter called as 'Taxes'). Amount of Taxes in relation with the supply of the Goods shall be at the Buyer's expense and shall be invoiced by ITISTRAP to the Buyer in the commercial invoice or through a separate invoice.
- 2.2. Furthermore, the Buyer shall provide all necessary documents and shall support Supplier with all necessary activities to demonstrate the Intra Community supply/extra Community supply (Exportation) within the time schedule provided by Italian/European Union Competent Authorities. Should the Buyer fail to provide the Seller with any of necessary documents or to support the Seller in proper way, then the Buyer shall be liable to

indemnify the Seller for all the costs due to the drawback of VAT and probable penalties/sanctions applied by Italian/European Union Fiscal Authorities.

- 2.3. If ITISTRAP grants a discount, it shall be applicable only for the specific supply for which the discount has been granted and mentioned on the Order Confirmation.

### **3. TERMS, DELIVERY AND EXECUTION OF ITISTRAP'S OBLIGATIONS**

- 3.1. Manufacturing of the Goods is in accordance with the terms and conditions of Order Confirmation, except for unexpected events and force majeure.
- 3.2. The delivery date indicated on Order Confirmation is only approximate and not essential. In any case, 15 (fifteen) working days of grace period shall be applicable on delivery date indicated by ITISTRAP.
- 3.3. In case of delay in the delivery of the Goods, Supplier shall not be liable for any loss or damage of any kind whatsoever directly or indirectly caused by any delay in the delivery of the Goods or completion of the supply. Moreover in no event the supply regulated by these GTC shall be automatically terminated in case of late deliveries, nor shall the Client be entitled to terminate the contract of supply in case of late deliveries.
- 3.4. No penalties shall be applicable by the Client to ITISTRAP in case of late delivery of the Goods.
- 3.5. The events which can prevent or delay the supply are, by the way of an example, strikes, insurrections, wars, locks-out, earthquakes, fires, flooding, pandemic, atmospheric events, imports embargoes, delays in deliveries by the suppliers of ITISTRAP, limitations of supply of energy, unexpected breakage of a machinery or of an equipment, limitations on traffic circulations are expressly recognized by the Buyer as force majeure events, for which ITISTRAP shall not be considered responsible in case of delay in the deliveries .
- 3.6. Prices offered are intended ex works ITISTRAP's warehouse in Villaverla (VI) Italy as per updated Incoterms .
- 3.7. In case of delay in the collection of the Goods ready for shipment, the Client shall bear all the expenses concerning the occupation of ITISTRAP's warehouses and yards. It being understood that the risks of damage, deterioration and/or theft of the Products are to be borne by the Client from the date of delivery indicated in Order Confirmation.
- 3.8. Standard packaging is included in quotation. Should Client require a specific packaging during the negotiation phases, it shall be quoted separately.

### **4. CANCELLATION OF THE ORDER**

- 4.1. The Buyer shall not have the right to cancel all or any part of the Purchase Order unless agreed in writing by ITISTRAP.

### **5. WARRANTY**

- 5.1. Whereas Buyer will have the right to assert its warranty claiming only if it has already effected the full payment of the Goods for which it requires the warranty, ITISTRAP warrants that the Products are in compliance with Order Confirmation technical characteristics. ITISTRAP, anyhow, does not warrant that Products shall be 'fit for purposes' or of 'merchantability quality' or similar concepts .
- 5.2. In case Supplier should provide a trial sample, ITISTRAP' undertaking shall be solely that the Products shall be in compliance with the characteristics of trail sample. In any case the Client shall not be entitled to refuse the Products or require modifications thereof, should the inconsistencies with the mentioned characteristics be trivial and/or fall within the normal and/or agreed tolerances and limits. In any case differences in colour of the Goods shall not be considered as a defect and/or a not compliance of the Goods
- 5.3. The warranty period is of 12 (twelve) months from the relevant receiving of the Goods by the Client.
- 5.4. The warranty may be claimed by the Client only, whilst the Client's assignees or other third parties shall not have any direct claim against ITISTRAP
- 5.5. In any case the warranty shall not applied to those machineries, equipment, plants in which the Goods are used and the Client expressly waives to claim any damage, loss,
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- cost and/or for injury or death of personnel assigned to the use of such machineries, equipment, plants which could, directly/indirectly, arise
- 5.6. The warranty shall not apply in case of defects, damages or failure of the Goods resulting as a consequence of and/or from:
- 5.6.1. improper storage, maintenance, use, application;
  - 5.6.2. operations beyond estimated capacity or in case of not compliance by the Client of any of the instructions provided by ITISTRAP ;
  - 5.6.3. damages caused by accident, fire or other casualty or negligence not ascribable to ITISTRAP;
  - 5.6.4. failures resulting from unauthorised modifications or alterations of the Products;
  - 5.6.5. any damage, loss or consequence deriving from defects or non compliance of the Products caused by failure, deficiencies and/or mistakes in the information or technical specifications supplied by the Client;
  - 5.6.6. any other cause, not ascribable to ITISTRAP's negligence.
- 5.7. The Client forfeits from warranty if he doesn't provide to suspend immediately the use of the Goods in case of discovery of a non-conformity or of a defect on the Goods
- 5.8. During the warranty period, ITISTRAP shall replace free of charges the Products found not in compliance. ITISTRAP, at its sole discretion, may authorise the Client to return the defected Goods against the repayment of the price originally invoiced. If required by the Supplier, the replaced Goods should be returned, at the Client's costs, to ITISTRAP's premises.
- 5.9. The Client shall, sub poena of forfeiture of the warranty, notify in writing by fax/email with Supplier's confirmation of such communication or by registered letter with return receipt, any non compliance or discovered defects, within and no later than 14 (fourteen) days from the date of receiving of the Goods. In case of hidden defects within and no later than 8 (eight) days from the date of relevant discovery. The burden of proving the date of receiving or of the relevant discovery lies with the Client. In no case claims for non compliance or for defects shall be accepted if received by ITISTRAP after 12 (twelve) months from the date of receiving, by the Client, of the relevant Products.
- 5.10. Any further express or implied warranty of fitness or merchantability as well as any reimbursement of costs or other obligations or liability either direct or by the way of redress including those for direct, indirect, incidental or consequential damages are, to the extent permitted by law, expressly excluded and waived.

## **6. LIMITATION OF RESPONSIBILITY**

- 6.1. In no event shall ITISTRAP be liable to the Client, Client's assignee and/or any other third party for any claim, whether arising under contract, tort (including negligence), strict liability or otherwise, for loss of revenue, loss of profit or loss of use of capital, downtime of facilities, standby of equipment/plant, standby of personnel, loss of business reputation or opportunities, loss of production, loss of product and/or for any special, in direct, incidental or consequential loss or damage of any nature (including any penalty or liquidated damages applied by Client's customers to Client) arising at any time or from any causes whatsoever and whether or not foreseeable, even if caused or contributed to by the negligence or breach (statutory or otherwise) of ITISTRAP in relation to Supply Agreement
- 6.2. Notwithstanding any other provisions on the contractual documents and except the case of wilful misconduct of ITISTRAP, maximum cumulative and aggregate responsibility of ITISTRAP towards Client and/or any third party for whichever reason shall not exceed the amount paid by the Client for the claimed Goods.

## **7. RETIRE AND DELIVERY OF ORDERED GOODS**

- 7.1. At the expire of the agreed delivery terms, but in any case not later than 10 (ten) days from the notice of Goods ready for collection, the Buyer is obliged to provide for the
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collection of the Goods (in case of delivery ex works) or to accept the Goods at final destination (in case of delivery DAP) as indicated in the Order Confirmation

- 7.2. The above term elapsed, ITISTRAP shall be authorised to issue the relevant invoice and shall start the terms of payment as indicated in Order Confirmation and the relevant Goods shall be stored in ITISTRAP's yard at Client's costs and risks, with forfeiture of warranty without any responsibility for the Supplier. ITISTRAP in addition shall be authorized to debit to the Buyer 0,5% (zero point five percent) of total amount of Order Confirmation for each/part of week of delay as handling and stored charges.

## **8. PAYMENTS AND DELAYS ON BUYER'S OBLIGATION**

- 8.1. Unless otherwise agreed, payment of the Goods shall be effected by swift bank transfer in favour of ITISTRAP in its bank account in accordance with the following terms : 100% (one hundred percent) of the amount at the Order Confirmation.
- 8.2. ITISTRAP's invoices shall be exclusively paid at its domicile
- 8.3. In no event shall any claim on the Products, defect or non compliance of the Products, even when expressly acknowledged as such by ITISTRAP and/or delays of delivery of the Products give the Client the right to suspend the relevant payments and/or any other payment for whichever reason due to ITISTRAP (*Solve et repete*).
- 8.4. Should the Client delay or fail to comply with the payment terms, even if the Client is in delay with just one payment term, ITISTRAP shall be entitled to suspend all the pending deliveries, until full payment of the outstanding credits, even if related to other contracts of supply and/or until receipt of proper guarantees for any future delivery . In case of delay on payment terms, Buyer shall pay to ITISTRAP for each/part of week of delay 0,2% (zero point two percent) of penalty calculated on the delayed amount.
- 8.5. In case of plurality of contracts, if the Buyer doesn't provide to pay or delay in the payment of just one invoice, ITISTRAP is authorized to suspend the outstanding supplies or contracts, without prejudice to any other rights ITISTRAP may have or to any other damages to be paid by the Client to ITISTRAP in accordance with any other provisions of Order Confirmation
- 8.6. Notwithstanding any other provisions, ITISTRAP shall be authorized to terminate the Supply Agreement, for right cause, should the Client fail to provide for the payment within 15 (fifteen) days from receiving of notice to pay from the Supplier.

## **9. SUPPLIER'S RIGHT TO TERMINATE THE SUPPLY AGREEMENT**

- 9.1. ITISTRAP shall have the right to terminate all or any part of the Supply Agreement, without any responsibility, in the following circumstances:
- the Buyer becomes insolvent, bankrupt or makes an assignment for the benefit of creditors, or a receiver is appointed for a substantial part of Buyer's assets.

## **10. CONFIDENTIALITY AND ITISTRAP INTELLECTUAL PROPERTY RIGHTS**

- 10.1. The Client shall not represent in any way that it has the any right or title on the trade marks owned by ITISTRAP nor apply to register in its own name trade marks that are similar to, or may be confused with the trade marks owned by Supplier
- 10.2. Furthermore, the Client agrees that the Confidential Information disclosing by ITISTRAP shall be kept strictly confidential and shall not be sold, traded, published or otherwise disclosed to anyone in any manner whatsoever, including by means of photocopy, reproduction or electronically, without Supplier's prior written consent
- 10.3. The Client shall be responsible for ensuring that all persons to whom the Confidential Information is disclosed shall keep such information confidential and shall not disclose or divulge the same to any unauthorized person. Client shall remain liable to ITISTRAP for any breach or non-compliance by any such person. Client agrees and acknowledges that because of the valuable nature of the Confidential Information, damages alone may not be an adequate remedy for a breach of any term and therefore agrees that Supplier shall be entitled to the remedies of injunction, specific performance and other equitable relief for a threatened or

actual breach of any term by it or any of its directors, officers, employees, agents, consultants or contractors without proof of special damage.

- 10.4 In the event Client should breach any of the obligation provided by this article, Client is undertaken to grant and recognize to ITISTRAP the minimum amount of Eur 50.000,00 (eur fifty thousand,00) as contractual' penalty, without prejudice to Supplier's rights to pursue other forms of relief

**11. SEVERABILITY**

- 11.1. If any provision of these GTC shall be found invalid or unenforceable, the invalidity and unenforceability shall not affect the other provisions of GTC which shall remain in full force and effect. The Parties agree to attempt to substitute for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the maximum possible extent, the objectives of the invalid or unenforceable provision.

**12. RETENTION OF TITLE**

- 12.1. ITISTRAP shall be the sole owner of the Products supplied under these GTC until full payment of the same effected by the Client. Notwithstanding the moment of the actual transfer of title on the Products, all the risks relevant to any loss or damage of the Products are borne by the Client upon when Goods are ready for the collection in Supplier's warehouse as per ex works updated Incoterms provisions.

**13. EXCLUSION OF VIENNA SALES CONVENTION**

- 13.1. The application of any of the provisions of the United Nations Convention on Contracts for International Sale of Goods (Vienna Sales Convention year 1980) to these GTC, or incorporation of such provisions into any contractual document, at any time is expressly excluded in all respects

**14. ARBITRATION CLAUSE AND SETTLEMENT OF DISPUTES**

- 14.1. All disputes in connection with contractual documents/commercial relationship regulated by these GTC or the execution thereof shall be settled through friendly negotiations between the Parties.
- 14.2. All disputes arising out the contractual documents/commercial relationship regulated by these GTC, including those concerning their validity, interpretation, performance shall be referred to an Arbitral Tribunal consisting of one Arbitrator, according to Arbitration Rules of the Chamber of National and International Arbitration of Milan (Italy), which the Parties declare that they know and accept in their entirety. The Arbitrator shall decide according to the Italian Law. The language of Arbitration shall be the English language. The seat of arbitration shall be Milan (Italy).

Villaverla (VI) Italy July 1st 2020

The Supplier

The Client

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The Client hereby states and declares to expressly approve, for the purposes and to the extent provided by article 1941 and following of the Italian Civil Code, the following provisions of these GTC:

- Item 1.2. Client's acknowledgment of Supplier General Terms and Conditions of Sale
- Item 1.4. Exclusion of Client's general conditions
- Item 1.6. Limitation of Supplier's responsibility for technical characteristics
- Item 2.2. Buyer's undertaking to support and to furnish proper documentation to Supplier in case of supply inside/outside European Union
- Items 3.2.,3.3. and 3.4 Limitation of Supplier's responsibility in case of delay in delivery of the Goods
- Item 4.1. Cancellation of the Order and relevant consequences for the Buyer
- Item 5.1. Exclusion and limitation of Supplier's warranty with exclusion of the warranty of conformity of the Products with the use/application of the Goods and of the 'fit for purposes', 'merchantability' of the Goods
- Item 5.4. Limitation of warranty in favour of the sole Client
- Item 5.5. Limitation of responsibility for damages caused to the machineries and Personnel of the Client and/or any third party
- Item 5.6. Exclusion of warranty for reasons not attributable to Supplier
- Item 5.7. Exclusion of warranty in case of use or processing of the Goods
- Items 5.8. and 5.10. Limitation of warranty to the sole substitution of the defected Goods
- Item 5.9. Forfeiture of warranty and burden of proof
- Items 6.1. and 6.2. Exclusion of Indirect damages and limitation and maximum Supplier's responsibility
- Item 8.3. Solve et Repete
- Item 8.4. Suspension of deliveries in case of delay or failure to pay
- Item 8.6. Right to terminate the Supply Agreement
- Item 10 Confidentiality, Intellectual Property Rights and penalty clause in favour of ITISTRAP
- Item 12.1. Retention of title in favour of ITISTRAP
- Item 13.1. Exclusion of Vienna Sales Convention year 1980
- Items 14.2. Arbitration clause and settlement of disputes

Villaverla (VI) Italy July 1st 2020

The Client

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