#### **GENERAL CONDITIONS OF SUPPLY**

#### 1. General provisions

1.1. These General Conditions regulate the relationship between the Client and Phase Motion Control S.p.A., with registered office in Genoa (GE), Via Luigi Cibrario 4, CAP 16154, tax code and VAT no. 03425740101, in the person of the pro tempore legal representative ("PMC"), and prevail over any general conditions of purchase of the Client.

1.2. The Contract between the Client and PMC is composed by these General Conditions, the Offers, the Orders (even if repetitive or recurring) and the related attachments if mentioned therein.

1.3. In case of conflict between these General Conditions, the Order and/or the Offer, the provisions of the latter shall prevail. The provisions of the Offer and these General Conditions shall prevail over any general conditions of purchase and/or other documents belonging to the Client, even if signed by PMC.

#### 2. Definitions

2.1. For the purposes of these General Conditions of Supply the terms used in capital letters have the

following meanings:

(a) Client: has the meaning indicated in the Offer;

(b) Client Code: the code attributed to the Client by PMC;

(c) Product Code (Final/Provisional): the code assigned by PMC to the Product to be supplied;

(d) General Conditions: these general conditions of supply of PMC are also published on the web page www.phase.eu ;

(e) Order Confirmation: summary document containing the technical characteristics of the Project and/or Product, the conditions of the Offer confirmed in the Order, the conditions of payment, shipping and tentative delivery time;

(f) Contract: the supply contract entered into between PMC and the Client, composed by the Offers, the Orders (even if repetitive or recurring) and the General Conditions (with possible attachments);

(g) Data Sheet: Project document summarising the electrical and thermal characteristics of the Product with the indication of the related tolerances, where necessary;
(h) Drawing: document of the Project related to the graphic representation of the mechanical part of the Product with the indication of the related Tolerance values, if necessary;

(i) Offer: the contractual proposal formulated by PMC, containing the price, the payment terms, the description of the Project and/or Product, the delivery terms, the warranty and the reference to the General Conditions;

(j) (Order: document prepared by the Client with which the Client accepts the PMC Offer;

(k) Party(ies): PMC and/or the Client;

(I) PMC: Phase Motion Control S.p.A., with registered office in Genoa, Italy, Via Cibrario 4, tax code and VAT no. 03425740101;

(m) Price: the consideration for the supply of the Product possibly increased in accordance with Article 4;

(n) Products: PMC's products included in the Offer and confirmed by the Order, including by way of example Brushless motors, generators, actuators, electronic drives and related accessories, battery charging devices, electronics, mechanics, mechatronics;

(o) Project: the project realized for the Client by PMC, which remains the owner, according to the contents of the Offer, including the Drawings and the DataSheet;



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(p) Intellectual Property: any intellectual property right, information, technique, knowhow, software or material (regardless of the form or means by which they are disclosed or stored), including Projects developed by PMC.

(q) Test: activity due after production to check the actual mechanical and electrical measurements of the finished motor.

(r) Test Report: document sent to the Client, showing the actual mechanical and electrical measurements of the finished motor.

(s) Tolerance: range of variation agreed as acceptable for the physical size of the Product. Where the Tolerance is not indicated, the data expressed in the Offer is intended as a guideline and not binding.

#### 3. Conclusion and performance of the Supply Contract

3.1. Offer. PMC will send its Offer about the Project and/or the Product as well as the terms of the Contract preferably by email. The Offer is intended to be formulated according to the General Conditions, also reported on the web page www.phase.eu. The delivery date included in the Offer is to be considered tentative and corresponds to PMC's best estimate at the time of release of the Offer; the same date may be modified by the Order Confirmation while remaining tentative. The Parties mutually acknowledge that, as they are dealing with custom or semicustom Products, whose design and construction is subject to market variables that are difficult to plan during the Offers and the Order Confirmation, PMC cannot assume liability for costs arising from any delays in both the design and production phases, without prejudice to PMC's commitment to make its best efforts to deliver Projects and/or Products in a timeframe compatible with the delivery dates indicated and to keep the Client constantly informed of any reasons for delays with respect to the estimated timescales.

3.2. Order. The Client's Order must fully recall the conditions specified in the Offer. The sending by the

Client of the complete Order in its entirety will constitute acceptance of the Offer and conclusion of the Contract. Repetitive or recurring Orders shall be deemed to have been submitted under the same conditions set out in the relevant Offer and in these General Conditions.

3.3. Order Confirmation. Within seven days from the receipt of the Order, PMC will send the Order

Confirmation which, in addition to acknowledging the conclusion of the Contract, will summarize the terms and conditions of the Contract, indicating the Final Product Code and the Client Code. In case of an Order relating to Projects, the Order Confirmation will indicate in addition to the Client's Code a Provisional Product Code.

3.4. Management of the Joint Order for design and production. In case of Orders whose object in cludes both Projects and Products, the relevant Order Confirmation will be formulated at the same time but PMC, before the start of the production of the Product, will study and develop the Design and the Data Sheet that will be sent to the Client for the final approval. The Drawing will contain the Final Product Code. Failure by the Client to approve the Drawing and the Data Sheet compliant with the Offer will entitle PMC to withdraw from the Contract with reference to the sole supply of the Products, with the Client waiving all claims in this regard. The right of PMC to the consideration for the design activity shall remain unaffected, for which PMC shall in any case issue an invoice.

3.5. Start of production following design. Production of the Product will begin once the Design and

Data Sheet have been approved by the Client. The tentative deadlines for Delivery of the Product to the Client shall be deemed suspended for the period between delivery and



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acceptance of the Design, with the Client waiving all claims in this respect, unless the delay is the result of gross negligence or wilful misconduct of PMC.

3.6. Revision of the Order. In the event the Client requests a variation of the Project or Product before

the start of the design or production or even during the same design and production phase, PMC shall be entitled to change the Product Code, the delivery date and the Price by making a new Offer.

4. Cancellation of the Order. The Client waives any right to withdraw from the Contract after the Or der Confirmation. However, PMC reserves the right to accept, at its sole discretion, a withdrawal of the Order by charging the Client, in this case, the costs incurred in addition to a share of the total Order Price, as provided in the related Offer.

#### 4. Price

4.1. The price of the Projects and/or the Products is the one indicated in the respective Offers.

4.2. If, after the conclusion of the Contract, increases in the costs of the raw materials used have occurred, the Price may be increased unilaterally by PMC in proportion to the increase in the costs of the raw materials. PMC will notify the Client of the change in the Price when it becomes aware of the increase in raw material costs.

4.3. Under no circumstances may the Project or Product Price indicated in the Order Confirmation be reduced without PMC's written agreement.

### 5. Invoicing

5.1. PMC will issue the invoice for the Price after delivery of the Project or Product and, in the case of shipment outside the European Union, will issue the invoice on the day of shipment, unless otherwise stated in the Offer.

## 6. Payment

6.1. Payments shall be made directly to PMC in accordance with the conditions set out in the Offer. Payments will be made by bank receipt or bank transfer. In the case of a new Client's first Order, advance payment will be required before the Project or Product at issue is sent.

6.2. Any payment made in place or by means other than those agreed upon will not be considered valid, without prejudice to PMC's right to accept it in place of what has been agreed upon.

6.3. In the event of delayed payments, without prejudice to the right to demand same payment and to suspend performance of the Contract pursuant to Article 1460 of the c.c., PMC will be entitled to claim interest on arrears at the rates provided for by Legislative Decree no. 231 of 9 October 2002.

6.4. If nonpayment or late payment by the Client results in additional costs for PMC such as outstanding charges, etc., these will be borne entirely by the Client and will be invoiced together with default interest.

#### 7. Methods of Delivery

7.1. The Products will be delivered to the Client, or to a person appointed by the latter,



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at the PMC's premises, in Genoa, Via Cibrario 4. The Projects will normally be delivered by email. The Products will be delivered according to the packaging conditions specified in the Offer.

7.2. The expected delivery date indicated in the Offer is intended as a minimum, purely tentative and based on the presumable design and/or production needs, on PMC's experience and on the information made available by the Client at the date of transmission of the Offer. PMC shall not be liable in any way for any direct or indirect consequences of any delays with respect to the expected delivery date referred to in the Offer, except in the case of gross negligence or wilful misconduct. This said, PMC will make its best efforts in order to deliver the Project or Product to the Client, within the term indicated in the Offer.

7.3. In case of delivery of the Product to a carrier for its transport from PMC's plant to the Client, the Product shall be deemed delivered to the Client with the delivery of the same to the carrier.

#### 8. Testing

8.1. Upon completion of production, the Product will be subjected to a test procedure at PMC's premises to verify that it corresponds to the characteristics of the Offer, the Drawing and the Data Sheet.

8.2. In case of positive outcome of the Test, PMC will deliver the Product to the Client together with the related Test Report and the Client will take delivery of the Product.

8.3. If the characteristics of the Product should exceed the limits of the Tolerances, PMC will inform the Client asking the latter about its willingness to accept the Product in derogation. Once derogation has been granted, the Client will take delivery of the Product, accepting it with waiver of any claim.

8.4. The storage costs due to the Client's delay in taking delivery of the Product shall be borne by the Client.

#### 9. Request about possible shipment – insurance

9.1. Without prejudice to the conditions of delivery of the Products referred to in Article 7.1, at the request of the Client, PMC may allow at its sole discretion to organize the transport of the Product from PMC's plant, indicating the conditions in the Offer. In any case, shipments, even if organized by PMC, shall be deemed to be made on behalf of the Client and at the risk and expense of the latter.

9.2. In the event that PMC organizes the transport of the Product from its own facility to the place of destination indicated by the Client, as provided for in Article 9.1 above, PMC will establish insurance coverage on the goods on behalf and for the account of the Client, only in case of specific request by the Client to this end.

9.3. The Client will bear, in any case, both the costs and the risks of shipping and transport of the Product, from the moment of its delivery at PMC's premises until its arrival at destination.

#### 10. Warranty for products defects

10.1. PMC guarantees the compliance of the technical characteristics of the Product with what specified and described in the Offer.



10.2. The Client will lose the right to enforce the warranty for defects of the Products if it

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does not report them within 60 days of their discovery. In any case, the Client will lose the right to enforce the warranty for defects once the period of 2 years from the date of delivery, unless an extension of the warranty is indicated in the Offer. The Client will also lose the right to the warranty if it does not grant PMC access to and inspection of the allegedly defective Products, as well as all documents relating to the maintenance carried out on the Products.

10.3. The warranty for defects will only cover defects of the Product due to faulty workmanship by PMC. In no case shall such warranty be invoked by the Client for damages or defects due to external agents, the communication of incorrect information by the Client to PMC, the choice of an unsuitable type of Product by the Client, assembly and/or maintenance errors committed by the Client or other causes not attributable to PMC, including the continued use of the Products by the Client or third parties even after the discovery of the alleged defect.

10.4. For the duration of the warranty period PMC will carry out the repair work under warranty only upon request of the Client. Repairs will be carried out exclusively at PMC's premises, except as provided for in the following article. The costs of transporting the repaired Product will be for the Client's account.

10.5. Only in cases where the transport of the Product to be repaired is not possible, PMC may carry out the repair under warranty at the Client's premises. Should PMC's technicians intervene at the Client's premises, the travel expenses will be charged to the Client. In the event that PMC personnel find that there are no defects covered by the warranty, the Client will be required to pay PMC the following fees for interventions excluded from the warranty:

Remote assistance

- hourly assistance's cost: 120€/h
- Minimum billable: 2h

Intervention over Italian territory (duration < 5 gg.)

· hourly intervention's cost (weekdays): € 77,00/h for a maximum daily amount of € 880,00.

- Minimum billable: 4h + travel
- Surcharge: 50% days before holidays public holidays / at night (h 18.00 / h 8.00)
- Travel expenses: forfeiture fee of  $\in$  1,50 / km including operator time.
- Accommodation: charged at cost

Intervention outside the Italian territory

The same conditions as above with the following modifications:

 $\cdot$  Travel costs: calculated on the basis of the operator's pure time + stop and go costs for the trip (airline tickets, car rental, etc.)

#### Minimum billable: 2 days

The Client must request any repair work and/or on site using the appropriate forms available on the website www.phase.eu.

#### **11.** Catalogues, drawings, illustrative material etc.

The catalogues, drawings and any illustrative material prepared by PMC prior to the formulation of the Offer shall be deemed delivered with the sole intention of providing information on the production of PMC, without any additional commitment on the part of PMC beyond the specifications and characteristics of the supplies covered by the Offers and Orders. Under no circumstances PMC shall be liable for any errors and omissions contained in such demonstration documents.

Material supplied by the Client

In any case in which PMC receives material from the Client, as semifinished and/or tolling



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material or for any other need, such material must be accompanied by its appropriate testing documentation.

The specifications of the good or materials supplied by the Client that will be incorporated or used for the Products will be reported in the Offer and will be considered accepted and confirmed by the Client with the presentation of the Order. Such specifications will constitute the exclusive scope of PMC's 6bligetions with respect to the goods and/or materials supplied by the Client and to the implementation of the Projects and Products.

In the case of Projects that include goods or materials supplied by the Client, PMC will develop the Projects on the basis of the specific characteristics declared by the Client and incorporated in the Offer, it being understood that PMC will not be in anyway responsible for any discrepancies or defects that are determined as a result of the incorrect or inaccurate indication of specifications by the Client.

During the production stage, without prejudice to the Client's obligation to attach the relevant test documentation, the Client will be responsible for supplying PMC with goods or materials that comply with the provisions of the Offer and/or the Project.

#### 13. Intellectual Property Protection

13.1. The Contract and these General Conditions of supply do not affect PMC's Intellectual Property rights. Neither the Contract nor these General Conditions establish any license in favour of the Client to use PMC's Intellectual Property unless otherwise provided for.

13.2. Drawings, technical documentation and other technical information received by the Client in execution of the Contract shall remain the property of PMC and may not be used by the Client for purposes other than the performance itself, intended as assembly, installation and maintenance of the Products. Without PMC's consent, such documents may not be copied, reproduced, transmitted or communicated to third parties.

13.3. Any development made by PMC as part of the performance of the Contract will remain in the property of PMC, having been developed by PMC, which may proceed with the registration and other forms of protection of the developments made. The Client's right to use the Project and/or the Product covered by the Contract in accordance with the terms and within the limits of these General Conditions remains unaffected.

13.4. The Client agrees to indemnify and hold PMC harmless against any action, claim or request by third parties concerning goods and/or information provided by the Client to PMC for the performance of the Contract.

#### 14. Limitation of liability and indemnity

14.1. Any liability of PMC towards the Client for indirect damages (including, where applicable, "punitive damages") resulting from the supply and/or performance of the Contract and these General Conditions is excluded.

14.2. The Client undertakes to indemnify and hold PMC harmless against any prejudicial consequences of claims, actions and complaints brought by third parties concerning, directly or indirectly, the Products supplied to the Client and used and/or assembled and/or transferred to third parties.

14.3. The limitations of liability referred to in this article are also extended to any further use of the supplied Products as part of the Client's and/or third party's production processes, also as a component of further products and/or systems.

14.4. In any case, PMC's liability (including by way of example, but not limited to damages, penalties, expenses, including legal fees, costs, charges and accessories) shall be limited to and shall not exceed a total amount equal to the Price of the Product allegedly



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defective, faulty and/or in any case at the origin of the alleged damage, net of production and transport costs.

# 15. Advertizing and marketing

In addition and without prejudice to other provisions contained in this general conditions, the Supplier agrees that, once the Project has been concluded and the Services / Products have been provided, Phase may advertise on its website or publish articles in newspapers or specialized press at his own expense describing the Services/Products.

## 16. Methods of sending communications

16.1. Communications relating to this Contract between PMC and the Client shall be deemed effective only if they are sent by registered letter or registered email to the following addresses (unless notice of a change of contact is given under this Article):

(a) for PMC: Via L. Cibrario 4, 16154 Genoa (GE), Italy PEC: administration@pec.phase.eu;

(b) for the Client: at the addresses indicated in the Order.

## 17. Assignment of the Contract

16.1. The Client may not assign any of the rights and obligations under the Contract and these General Conditions without the prior written consent of PMC.

## 18. Express termination clause

18.1. PMC will be entitled to terminate this Contract pursuant to Article 1456 of the Italian Civil Code, in addition to the cases regulated elsewhere in the Contract, in the case of

(a) assignment of contractual relationships not authorised under Article16 above, regardless of the effectiveness of such assignment;

(b) admission and/or application of the Client to insolvency proceedings and/or debt restructuring or agreement with creditors.

- **19. Protection of personal data** EU Regulation 679/2016 (hereinafter "GDPR")
- 19.1. The owner of the personal data communicated by the Client is Phase Motion Control S.p.A.

19.2. The Client's personal data will be processed exclusively for the performance of all activities inherent and instrumental to the stipulation and subsequent management of the contractual relationship and may be communicated to professional firms and consulting firms for the performance by these actors of assistance services in accounting, tax, information technology and for the management of litigation.

19.3. The processing of the Client's personal data is carried out in accordance with the provisions of art. 6 letter b c of the GDPR.

## 20. Parties' declarations

The Parties mutually acknowledge that the conclusion of the Contract has taken place without the assistance of agents, brokers, intermediaries, promoters or the like.

## 21. Applicable Law and Jurisdiction





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Date:

21.1. The Contract and these General Conditions are governed by Italian law.

21.2 For any dispute that may arise between the Parties in relation to the validity, effectiveness, performance or termination of the Contract and/or these General Conditions, the Court of Genoa (Italy) shall have exclusive jurisdiction.

Phase Motion Control S.p.A.	Customer
Name:	Name:
Title:	Title:
Sign	Sign

Pursuant to Articles 1341 and 1342 of the Italian Civil Code, the following contractual conditions are specifically approved: 1.3 (prevalence between contractual documents); 3.1 (elements and discipline of the Offer); 3.2 (elements and discipline of the Order); 3.4 (right of withdrawal by PMC); 3.5 (delay in accepting the Project); 3.6 (Order revi-sion); 3.7 (annulment of the Order); 4.2 (Price adjustment); 6.3 (late payments and sus-pension); 7.2 (non-binding of delivery terms and limitation of liability); 8.3 (acceptance of the Product); 10.2 (forfeiture of the warranty); 10.3 (limitation of the warranty); 11.1 (limitation of liability); 13 (Intellectual Property); 14 (limitation of liability and indemni-ty); 17 (no assignment); 18 (termination clause); 21.2 (exclusive jurisdiction).

Phase Motion Control S.p.A.	Customer
Name:	Name:
Title:	Title:
Sign	Sign



Date:

Date:

