

GENERAL CONDITION OF SALES

- 1. Application.** These General Sales Conditions (hereinafter referred to as the “General Conditions”) shall apply to any sales made by PR Industrial Srl and/or its affiliates and subsidiaries (hereinafter referred to as “Seller”) to its own clients (hereinafter referred to as “Purchaser”) whose subject matter is the products sold and marketed by the Seller (“hereinafter referred to as “the Products”).

These General Conditions shall prevail over all other general sales conditions. Likewise, the General Conditions shall prevail over any additional contradictory clause added by Purchaser as well as over any other purchase general conditions.

In case of discrepancy between the General Conditions and the conditions and terms contained in a distribution and/or license to sell agreement undersigned between Seller and Purchaser, the provisions contained in such agreement shall prevail.

- 2. Offer & Orders.** The offer issued by the Seller shall be valid for thirty (30) days from the date of the offer, unless otherwise specified in writing by the Seller. The offer shall be considered a binding order (“the Order”) for both Parties upon written acceptance by Purchaser within the period of 30 days, unless otherwise stated in the offer.

Purchaser shall not be allowed to cancel or change the Order under any circumstances. The cancellation or changing of the Order by Purchaser, after its written acceptance, will grant to the Seller the right to apply for a penalty of 20% of the Order value.

For those payments already made (where payment in advance is provided), the Seller shall be entitled to retain, as penalty, any amount paid by Purchaser without prejudice to the Seller’s right to claim compensation for damages.

The Seller reserves the right to cancel, suspend and/or delay the performance of the Order in the following cases:

- Failure of the Purchaser to pay even partially Orders related to past Orders or to the current one;
- Assignment and/or transfer of the business or a part of the Purchaser business without prior written notification to the Seller;
- Failure of the Purchaser to comply with clauses 8 & 9 below

being the Seller entitled to retain, as penalty, any amount paid by Purchaser without prejudice to the Seller’s right to claim compensation for damages.

- 3. Deliveries.** Unless otherwise agreed in writing by the Parties, deliveries shall be EX-Works. The agreed delivery term shall not be a fixed deadline. Therefore, in the event of a late delivery, Purchaser shall not have the right to cancel the Order and neither may refuse delivery nor reject to pick it up. It remains understood that Purchaser shall not be entitled to claim for damages in case of late deliveries.

The Products are delivered in appropriate packages. However, should the Products require special packing, Purchaser will be separately charged for.

Expenses for storage of Products at customs and/or general warehouses shall be entirely sustained by Purchaser, except in the case such storage is due to the direct fault and/or negligence of the Seller.

- 4. Warranty.** Seller guarantees that the Products are free from flaws and compliance with the declared technical specifications.



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Seller undertakes to provide Product warranties as better specified in its General Product Conditions of Warranty. SELLER MAKES NO OTHER EXPRESS OR IMPLIED WARRANTIES AND ALL OTHER WARRANTIES ARE SPECIFICALLY EXCLUDED, INCLUDING ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR PARTICULAR OR SPECIAL PURPOSES.

The General Conditions of Warranty apply only to new Products.

Seller shall not be liable for damages caused by faulty installation or faulty maintenance unless Seller itself has made the faulty installation or the faulty maintenance. Furthermore, Seller shall not be liable for damages caused by inappropriate use of the Products or the failure of the Products to comply with all applicable laws and local codes governing the sale, importation, installation, and use of the Products.

Purchaser agrees to determine and ensure compliance with all applicable laws and local codes regarding the sale, importation, installation, and use of the Products, including all applicable safety certifications and requirements for proper installation of such Products, and agrees to indemnify and hold the Seller harmless from any claims arising out of, or in connection to, any applicable local laws.

- 5. Aftersales assistance Service.** Seller will provide Purchaser with a use and maintenance manual for the Products. Any additional copies will be charged to Purchaser.

For any technical intervention during the warranty period, Purchaser shall contact Pramac Service and Parts at: <http://www.pramacparts.com> | Service Network.

After the warranty period, Purchaser may ask, at his own costs and expenses, for spare parts.

- 6. Prices and terms of payment.** The Products shall be sold to Purchaser at the prices indicated at the moment of the Order. Such prices do not include VAT, duties, levies, tariffs and other charges (such as documents' legalization where necessary).

Seller reserves the right to implement price adjustments, if, following the acceptance of the Order until delivery, costs change on account of the following factors which Seller is not responsible for and which were not foreseeable with reasonable certainty: wage settlements, changes in raw material prices, other suppliers' price changes or currency fluctuations. Seller shall disclose the reasons for such price adjustments upon the Purchaser's request.

Payment of price shall be done in accordance with the payment conditions stated in the Order.

In case of failure and/or or delay in payment of the price by Purchaser, interest in arrears shall be calculated on the basis of the legal interest rate.

Any delays in payment by Purchaser may result in suspension of deliveries by the Seller.

- 7. Limitation of Liability.** To the extent permitted by law and regardless of the nature of the claim, the Seller's contractual and extra contractual liability shall be limited, to the price of such Products that are subject to liability under the claim. Any other liability, including but not limited to, loss of profit, indirect or consequential damages is expressly excluded.

- 8. Anti-bribery & Corruption.** Compliance with all laws, legislation, regulations, binding codes of practice, or rules or requirements of any relevant government or governmental agency, or regulatory authority applicable to this General Conditions and in relation to bribery is a matter of fundamental importance for the Seller. Seller being part of Generac group of companies declares to be familiar and compliance with the United States Foreign Corrupt Practices Act of 1977 ("FCPA"). Consequently, Purchaser agrees that in performing its duties under the sale/contract it has not and will not violate any of the U.S. Foreign Corrupt Practices Act as well as any applicable local laws dealing with bribery of government officials. Purchaser acknowledges and agrees that it shall not, in connection with performing its duties or obligations under the sale/contract, make, offer, or promise to make any payments or transfer anything of value, directly or indirectly, to



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- (a) any government official or employee (including employees of government-owned and government-controlled corporations and public international organization);
 - (b) any political party, official of a political party or candidate; or
 - (c) an intermediary for payment to any of the foregoing, in any case for the purpose of influencing an act or decision of an official of any foreign government, including a decision not to act, or request or encourage any such person to use its influence to affect any government act or decision of a foreign government in connection with its business.
- 9. Export Restrictions.** Purchaser shall not export, sell or otherwise dispose of any Products to any country not approved for export or to any person or entity Purchaser knows, or should know, will result, directly or indirectly, in disposition of the Products contrary to U.S. Export Administrative Regulations (15 CFR parts 730-774) and/or Office of Foreign Assets Control (31 CFR 500-597) implemented pursuant to the Trading with the Enemy Act, (50 USC 1-44) and the International Emergency Economic Powers Act (50 USC 1701-1706). Without limiting any other export restriction as otherwise provided herein, Products may not be exported or re-exported, either directly or indirectly, to the following countries: Cuba, Crimea, Belarus, Donetsk and Luhansk regions of Ukraine, Darfur (Sudan), Iran, North Korea, Russia or Syria.
- 10. Force Majeure.** Any delay or failure of either party to perform its obligations under the General Conditions (other than failure to pay in any amounts due) will be excused to the extent that the delay or failure was caused directly by an event beyond such party's control, without such party's fault or negligence and that by its nature could not have been foreseen by such party or, if it could have been foreseen, was unavoidable (which events may include, but not limited to, natural disasters, embargoes, explosions, riots, wars, acts of terrorism, outbreaks of disease, epidemics, pandemics, civil unrest, strikes, national or local emergency, raw materials shortage, labor stoppages or slowdowns or other industrial disturbances, and shortage of adequate power or transportation facilities). For the purposes of the application of this definition, the unpredictability of the aforementioned events is not excluded by the fact that, at the date of entry into force of the sale, the events already exist, or are known to, or knowable, by the parties, if, at the date of entry into force of the sale they are not such as to be able to cause the permanent or temporary impossibility of the sale.
- 11. Jurisdiction.** The place of jurisdiction shall be the competent court of the place of business of the Seller. However, the Seller shall also be entitled to bring a lawsuit before a court which has jurisdiction for the place of business of the Purchaser.