

GENERAL TERMS AND CONDITIONS OF SALE of K-FACTOR S.r.l.**1. Scope and prevalence of conditions**

1.1 These General Terms and Conditions of Sale ("General Terms and Conditions") govern all sales of products made by K-FACTOR S.r.l. ("K-FACTOR" or the "Supplier") to any customer ("Customer"), unless otherwise agreed in writing by K-FACTOR.

1.2 The General Terms and Conditions prevail over any general terms and conditions of purchase of the Client, even if attached to the order or referred to in the Client's documents, and even in the absence of express refusal by K-FACTOR. Any waiver will only be valid if expressly approved in writing by K-FACTOR.

1.3 In the event of conflict between what is indicated in the offer and/or order confirmation of K-FACTOR and these General Conditions, what is indicated in the offer and/or order confirmation will prevail.

2. Orders and Conclusion of the Contract

2.1 Orders may only be placed in writing (including, by way of example, e-mail or via the K-FACTOR website, where applicable).

2.2 The Client's order is considered irrevocable and binding for the Client from the moment of its receipt by K-FACTOR. The sales contract is deemed to have been concluded at the time of K-FACTOR's written order confirmation, i.e. with the start of the execution of the order by K-FACTOR.

2.3 Orders for special, custom-made, customised or otherwise non-standard material must always refer to previous K-FACTOR offers and the related technical specifications.

2.4 K-FACTOR reserves the right to accept or reject orders at its own discretion, without the Client being able to make claims or requests for compensation for any reason.

2.5 K-FACTOR may process orders even partially. The Client may not refuse partial deliveries or make claims for compensation or compensation for non-delivery or delayed delivery of the remaining part.

3. Cancellation or modification of the order by the Customer

3.1 The cancellation or modification of an order by the Client is allowed only after written acceptance by K-FACTOR.

3.2 The cancellation of an order by the Client is in any case excluded once processing has begun, except for full reimbursement to K-FACTOR of the costs of material, processing costs and any other charge incurred up to the time of suspension, as well as compensation for any further damage.

3.3 Any requests for a reduction in quantities or changes in specifications may result in changes in prices and/or delivery terms, which will be communicated by K-FACTOR and must be approved in writing by the Client.

3.4 Any additions (additions) to orders in progress are subject to acceptance by K-FACTOR and may result in the extension of delivery terms.

4. Retention of title

4.1 The goods sold remain the exclusive property of K-FACTOR until full payment of the price and any other amount due by the Client, pursuant to and for the purposes of art. 1523 et seq. of the Civil Code. (retention of title).

4.2 Until the transfer of ownership, the Client undertakes to keep the products diligently, not to transfer them for a fee or free of charge, not to pledge them or guarantee them without the prior written consent of K-FACTOR, and to keep them insured against the risks of damage, theft and loss.

4.3 In the event of non-payment or late payment, K-FACTOR shall have the right – in addition to any other remedy provided for by law or by these General Conditions – to request the immediate return of the products still owned by the Client, wherever they may be, with return costs to be borne by the Client.

5. Shipping, Return, and Risk Transfer

5.1 Unless otherwise agreed in writing, the goods are supplied "ex our warehouse" (EXW – Incoterms® 2020 or equivalent), pursuant to art. 1510, paragraph 2, of the Civil Code.

5.2 The shipment is in any case carried out at the risk and peril of the Client, even if the transport is agreed carriage paid or if the cost of

transport is, in whole or in part, borne by K-FACTOR. The risk of loss or damage to the products is transferred to the Customer upon delivery to the carrier or shipper.

5.3 If it is agreed that the cost of transport is borne in whole or in part by K-FACTOR, the latter reserves the exclusive right to choose the means of transport, the carrier and the shipping methods deemed most appropriate.

5.4 Any complaints relating to shortages or damage due to transport must be submitted by the Client to the carrier, in the manner and within the terms provided for by law, without prejudice to the provisions of art. 7 below.

6. Delivery terms

6.1 The delivery terms indicated by K-FACTOR in the offer and/or in the order confirmation are to be considered indicative and not essential, unless otherwise agreed in writing.

6.2 In the event of difficulties in the supply of materials, breakdowns, strikes, pandemics, suspensions or slowdowns of production, natural events, measures of the authorities, or other causes of force majeure or in any case not attributable to K-FACTOR, the delivery terms will be automatically extended for a period equal to the duration of the impediment, as well as an appropriate period for the resumption of production and deliveries.

6.3 In such cases, K-FACTOR will communicate the new estimated delivery terms to the Client. No compensation, penalty or compensation may be requested by the Client for delays due to such causes.

6.4 The Client remains in any case obliged to collect the special or personalized material ordered as soon as it is ready for delivery. Failure to collect the goods within the deadline specified by K-FACTOR may result in the charging of storage costs and the right of K-FACTOR to invoice the goods in any case.

7. Receipt of goods and complaints

7.1 Upon receipt of the goods, the Client is required to:

- check the integrity of the packaging and the number of packages;
- check the correspondence of the goods with the transport documents.

7.2 In the event of damaged, incomplete packaging or missing packages, the Client must accept the goods with "reserve" to be affixed to the transport document, specifying the type of anomaly found, and must notify the carrier within the terms of the law.

7.3 Any complaints relating to apparent defects, lack of products, quantitative or qualitative non-conformities that can be found with a diligent check upon receipt must be communicated to K-FACTOR in writing (e-mail) no later than 8 (eight) days from receipt of the goods, under penalty of forfeiture.

7.4 After this deadline, the goods will be considered definitively accepted and in conformity with what was ordered, except for hidden defects reported within the terms of the law and within the limits of the warranty referred to in art. 9.

8. Non-Conforming Merchandise and Returns (RMA) Procedure

8.1 The warranty for all products supplied by K-FACTOR starts from the date of invoice and has a duration of 12 (twelve) months, unless otherwise indicated in writing.

8.2 To activate the return procedure, it is mandatory to request in advance and obtain from the Customer a Return Authorization Number (RMA). The request must contain:

- Customer identification data;
- number and date of the invoice and/or delivery note;
- product description;
- Detailed description of the defect found.

8.3 The material may return to the headquarters only after the RMA Number has been issued. Any return shipment that does not have an RMA number and/or is not authorized will be rejected to the sender with transportation costs at the sender's expense.

8.4 Unless otherwise indicated by K-FACTOR, the material must be returned free of charge (carriage paid) and correctly packaged. The risk

of loss or damage during the transport of the return remains the responsibility of the Customer.

8.5 Pursuant to art. 59 of the Consumer Code (for Customers who qualify as "consumers") and the common rules of civil law (for Professional Customers), the possibility of returning the goods once ordered and delivered is in any case excluded if the products are personalized, made to the Customer's specifications, non-standard or not present in the official price list in force ("tailor-made products" or "custom").

9. Product Warranty and Limitations of Liability

9.1 Within the warranty period referred to in art. 8.1, K-FACTOR undertakes, at its sole choice, to repair or replace free of charge those products or parts thereof that are affected by material or manufacturing defects, provided that such defects have been reported in writing by the Client within the terms of the law and these General Conditions.

9.2 The disputed goods must be returned to K-FACTOR according to the RMA procedure referred to in art. 8. The warranty is void if the products:

- have been repaired, modified or tampered with by anyone other than K-FACTOR or without the prior written authorisation of K-FACTOR;
- have been used improperly, not in accordance with the technical specifications or instructions for use, or subjected to unsuitable conditions.

9.3 Any repairs carried out by the Client or by third parties will be recognized and reimbursed only if previously authorized in writing by K-FACTOR, subject to approval of a cost estimate.

9.4 K-FACTOR assumes no responsibility and does not recognize compensation for direct or indirect damages, including, but not limited to, loss of earnings, plant downtime, loss of production, damage to the image or claims of third parties, which occur during or as a result of the use of its products in the event of:

- improper or non-compliant use;
- failure to follow instructions;
- incorrect installation;
- causes not attributable to K-FACTOR.

9.5 In any case, if K-FACTOR is deemed to be liable, this shall be limited, overall and for each reason, to an amount not exceeding the price paid by the Client for the products that gave rise to the claim for damages.

9.6 The warranties and remedies referred to in this article are the only remedies available to the Customer for defects or defects in the products, to the exclusion of any other statutory or contractual warranty to the maximum extent permitted by applicable law.

10. Pricing

10.1 The applicable prices are those indicated in the offer and/or in the order confirmation of K-FACTOR, based on the price list in force on the date of the order, unless otherwise agreed in writing.

10.2 Unless otherwise stated, all prices are intended to:

- for goods returned ex works K-FACTOR;
- net of VAT;
- packaging excluded.

10.3 If, after the order confirmation and up to the delivery date, there are significant increases in the costs of raw materials, labour, energy, transport or other production costs, K-FACTOR shall be entitled to adjust the prices accordingly, also with reference to orders already in progress, upon notice to the Client. In this case, the Client may withdraw from the order limited to the part not yet executed, giving written notice within 5 (five) days of receipt of the price adjustment notice; otherwise, the adjustment will be considered accepted.

11. Packaging

11.1 Unless otherwise indicated, standard packaging is carried out by K-FACTOR according to its own procedures and charged at cost price.

11.2 Any special or customized packaging requested by the Customer will be charged separately and must be expressly requested at the time of ordering.

12. Payments

12.1 Payments must be made in the manner, terms and deadlines agreed upon and indicated on the invoice. Payment is considered to have been duly made only when the amount due has been fully credited to K-FACTOR's current account.

12.2 In the event of late payment, default interest will automatically commence, without the need for formal notice, to the extent of the legal rate in force increased by 3 (three) percentage points, without prejudice to compensation for greater damages.

12.3 In the event of late or non-payment, even partial, K-FACTOR shall have the right to:

- suspend the execution of supplies and deliveries of orders in progress;
- make the continuation of supplies subject to advance payment or appropriate guarantees;
- declare the contract terminated and request the return of the products still subject to retention of title.

12.4 Any dispute relating to materials in the course of manufacture or already in the Client's possession does not entitle the Client to suspend or delay payment (prohibition of set-off or "exceptio inadimpleti non est admittenda"), unless otherwise provided for by law. The Customer is required to pay the full amount of the invoices when due, without any deduction, deduction or offsetting.

13. Consumer Customer (only if applicable)

13.1 If the Client is a "consumer" pursuant to Legislative Decree 206/2005 ("Consumer Code"), the mandatory provisions of this legislation will apply, which will prevail over any clauses of these General Conditions in contrast with it.

13.2 In the case of sales concluded at a distance or away from commercial premises, the consumer may exercise the right of withdrawal within the terms and in the manner provided for by the Consumer Code, with the exclusion, in any case, of personalized or tailor-made products referred to in art. 59 of the Consumer Code.

14. Applicable law and jurisdiction

14.1 These General Terms and Conditions and all sales contracts governed by them are governed by Italian law, with the express exclusion of the 1980 Vienna Convention on the International Sale of Goods (CISG), where applicable.

14.2 Any dispute relating to the validity, interpretation, execution or termination of commercial relations between the Client and K-FACTOR shall be subject to the exclusive jurisdiction of the Court of Reggio Emilia, to the exclusion of any other competing court, unless otherwise mandatory provisions of law to protect the consumer.

15. Final provisions

15.1 Any nullity or ineffectiveness of one or more clauses of these General Terms and Conditions will not result in the nullity of the entire contract, which will continue to remain valid for the remaining part.

15.2 These General Terms and Conditions may be updated or modified by K-FACTOR at any time. The new conditions will apply to sales concluded after their publication or communication to the Customer.