

General Terms and Conditions for the Purchase of Raw & Packaging Materials

version June 2025

1. GENERAL

1.1. Scope

1. These General Terms and Conditions of Purchase (hereinafter the **"General Conditions"**) shall apply to all supplies of raw and packaging materials (herein below defined as Good/s) provided by your company (hereinafter the **"Supplier"**) to Farmol (as defined below) in fulfilment of contracts, in any way whatsoever entered into between your company and Farmol, such as, by way of example, by means of an agreement duly executed by both Parties (as defined below) (hereinafter the **"Contract/s"**) or by means of confirmation – either express or implicit – of purchase orders (hereinafter the **"Order/s"**).

2. The General Conditions may be integrated or modified by means of specific provisions set forth under the Order/s or the Contract/s, it being understood that although such Order/s or Contract/s shall prevail upon the content of the General Conditions, the effectiveness abovementioned integration or modification shall be limited to such specific Order or Contract.

3. The Supplier waives, therefore, to the application of its own general and/or specific conditions of sale which shall be consequently deemed as not effective between the Parties.

1.2. Definitions

In the context of these General Conditions, the following terms shall have the meaning respectively attributed to each of them below:

"Affiliate" means, with respect to a person or legal entity, any person or legale entity directly or indirectly Controlled by, Controlling or subject to the common Control, even if only in the form of management and coordination activities, with such person or legal entity (Farmol Group);

"Anti-Corruption Laws" means any anticorruption law or similar legislation, codes, rules, policies and regulation applicable to any of the Parties and/or to the performance of their obligations under the Order/s and Contract/s;

"Confidential Information" means, collectively, (i) Technical Information, (ii) any other information, whether commercial or otherwise, other than Technical Information, concerning Farmol, its materials, products, processes, services and activities, supplied and/or disclosed, in any form, by and/or on behalf of Farmol to the Supplier and/or which the Supplier becomes aware of in connection with the performance of the Contract/s and/or of the Order/s, (iii) the Results and (iv) any note, study or other document prepared by the Supplier which contains or otherwise reflects Technical Information, the information mentioned in point (ii) and the Results;

"Control" shall mean (i) in the case of a corporation, the ownership of more than 50% of the shares of such corporation with voting rights or, in the case of any other entity, the ownership of the majority of the beneficial or voting interest of such entity or (ii) the power of one person or legal entity alone, or jointly with one or more other persons or entities, directly or indirectly, to direct the management of the controlled person or entity, either by means of equity ownership, by contract or otherwise. **"Controlling"** and **"Controlled"** shall have similar meaning.

"Farmol" means Farmol S.p.A. (VAT 00226350163), with registered office in Comun Nuovo (BG), Via Verdella n. 3, or its Affiliate/s which entered into the contractual relationships with the Supplier under the Order/s or the Contract/s;

"Good/s" means all materials, machineries, products or any movable asset supplied pursuant to Order/s or Contract/s;

"Government Official" means any appointed, elected, or honorary official or any career employee of the government or of a public international organization, or any political party, party official or candidate (including any person holding an executive, legislative,

judicial or administrative office, whether elected or appointed, or of any public international organization, such as the United Nations, or any person acting in any official capacity for or on behalf of such government, public enterprise or state-owned business); being understood that for the purposes hereof, the term "government" includes any agency, department, embassy or other governmental entity or public international organization, as well as any company or other entity owned or Controlled by a government;

"Parties" mean Farmol and the Supplier;

"Results" mean all the inventions, knowledge, data, information of any kind, method, specification, know-how, software, still or filmed images and photographs, solutions, deliverables conceived, reduced to practice or developed by the Supplier in the performance of Order/s or Contract/s;

"Security Incident" means any event or series of events regarding security which compromises or may compromise any Farmol assets and/or technological environment and/or any Goods supplied, at various severity levels, in terms of confidentiality, integrity, and/or availability on Confidential Information;

"Technical Information" means any kind of technical information, being not part of the public domain and including, by way of example, drawings, technical and/or functional specifications, tables, models, samples, prototypes, methods, measurement instruments, databases, software, films, digital video segments, and photographs supplied in any form by and/or on behalf of Farmol to the Supplier and/or which the Supplier has become aware of for the production and supply of the Good/s;

"Technical Specifications" mean the drawings and the technical and/or functional specifications the Good/s shall comply with.

1.3. Interpretation

1. The headings are inserted in these General Conditions for convenience only and shall not affect the interpretation and construction of these General Conditions.

The word "including" or any variation thereof means "including, without limitation" and shall not be construed to limit any general statement to the specific or similar items or matters immediately following it.

2. Any reference to a statute or statutory provision (including those under applicable laws, regulations, directives, treaties), is a reference to it as amended, extended or re-enacted from time to time.

1.4. Acceptance of the Orders

1. Order/s become binding for the Parties upon receipt of the Supplier's order confirmation, which shall be provided by any written means, including email.

2. In accepting the Order, the Supplier agrees to supply the Good/s in accordance with the Technical Information referred to in the Contract/s and Order/s.

1.5. Order Cancellation

Even after the Order has become binding for Farmol, Farmol reserves the right to cancel it in whole or in part at any time prior to delivery, by providing written notice to the Supplier. If Farmol exercises the right of cancellation:

(a) within 7 (seven) days of accepting the Order, no consideration, refund of any kind and/or other compensation or indemnity will be due from Farmol to the Supplier,

(b) after 7 (seven) days of accepting the Order, the Supplier shall be entitled to reimbursement only for the direct costs already incurred up to the date of cancellation, provided that such costs are properly documented and cannot reasonably be avoided or mitigated. No additional compensation or indemnity shall be due by Farmol for such cancellation.

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1.6. Delivery Postponement

Farmol shall be entitled to request a postponement of the delivery date indicated in the Order by up to 30 (thirty) calendar days, by providing the Supplier with prior written notice. Such request must be made at least 7 (seven) calendar days before the confirmed delivery date. Such postponement shall not entitle the Supplier to claim any penalties, price increases, or compensation of any kind.

1.7. Non-assignability of Contracts and credits – Bank Account

1. Contract/s, Order/s and the credits deriving therefrom cannot be assigned by the Supplier; any amendment or integration to the Contract/s or Order/s not made in writing will be null and void and shall be limited to the specific case in relation to which it is agreed. On the contrary, the Contract/s, the Order/s and the credits deriving therefrom may be freely assigned by Farmol to any of its Affiliates.

2. Supplier expressly acknowledges that all payments hereunder shall be made by Farmol to a bank account located in the same country where Supplier has its registered office.

1.8. Information Security

1. The Supplier shall adopt any appropriate organizational and technical security measures, based on the current standards of the sector, to safeguard Confidential Information and the Goods supplied to Farmol. Farmol will be entitled to notify the Supplier of security measures or conditions considered necessary, and the Supplier hereby agrees to adopt them.

2. Farmol shall have the right to verify at any time, directly or through a third party, that the Supplier has correctly fulfilled all its obligations under this clause. In this regard, the Supplier grants Farmol the right to access, directly or through a third party, its premises, in order to verify its compliance with the requirements of this clause.

1.9. Incident reporting

1. In case the Supplier identifies, or reasonably suspects that a Security Incident has occurred, Supplier shall inform Farmol promptly, and in any event no later than twenty-four (24) hours following such discovery.

2. The Supplier shall cooperate with Farmol in any Security Incident investigation. If Farmol notifies Supplier an IT vulnerability or a Security Incident that is identified by Farmol or on Farmol's behalf, Supplier shall, without undue delay, remove the vulnerability and/or remedy the Security Incident, as applicable. Any communication on the above shall be notified to the following email: cybersecurity@farmol.com.

1.10. Force majeure

1. Supplier shall not be liable for delay, non-performance or part performance of the Contract/s and/or Order/s due to any circumstance beyond Supplier's reasonable control which shall, without limiting the generality of the term, be deemed to include war, epidemics, or other action of military forces, terrorism, riot, civil commotion, sabotage, vandalism, fire, flood, acts of God or legislative or administrative interference.

2. Supplier will inform Farmol immediately in the event of such force majeure and shall use best endeavors to mitigate the effect of a force majeure event in the best possible way.

3. In case Supplier is unable to perform any of its obligations under the Contract/s and/or Order/s as a result of a force majeure event for more than twenty (20) days, Farmol may terminate the Contract/s and/or Order/s, at any time and without any liability, by giving written notice to the Supplier.

4. The following events do not constitute force majeure on part of Supplier: increase of costs of materials, strike or non-performance

by its suppliers or any of its subcontractors and the mere shortage of labour, materials or public utilities.

1.11. Data Protection

1. Farmol declares and guarantees that the personal data of the supplier and its employees' and auxiliary workers personal data will be processed in compliance with the Regulation (EU) 2016/679, in accordance with the provisions set out in the privacy policy available at Farmol's website: <https://farmol.com/it/privacy-policy/>.

2. By entering into this agreement, the supplier undertakes to disseminate and share the content of the aforementioned privacy policy with its employees' and auxiliary workers which will come into contact with Farmol for the purpose of fulfillment of the present agreement, providing, upon Farmol's reasonable request, written evidence of the fact that such privacy policy has been issued and shared.

1.12. Farmol's Business Codes and Policies

1. Supplier formally commit to adhering to the principles outlined in Farmol's Sustainable Procurement Policy, Supplier Code of Conduct, Code of Ethics, Diversity, Equity and Inclusion Policy as well as General Part of the Organizational, Management and Control Model adopted pursuant to Legislative Decree no. 231/2001 (jointly referred to as "Business Codes and Policies"), available at <https://farmol.com/sustainability/certifications-and-ratings/>, accepting their contents and undertaking to comply with their provisions in the performance of supply of Good/s. Farmol reserves the right to verify compliance through self-assessment questionnaires, audits, or other monitoring methods, and encourages continuous improvement through dialogue and support.

2. In light of the above, and in relation to the execution of the Order/s and/or Contract/s, the Supplier hereby undertakes to manage its activities in compliance with the Farmol's Business Codes and Policies.

3. Supplier's failure to comply with the commitments under clause 1.12.1 and/or clause 1.12.2 above shall be considered a cause for termination of Order/s and/or Contract/s pursuant to Article 1456 of the Italian Civil Code and shall entitle Farmol to terminate them with immediate effect, without prejudice to compensation for any damages incurred.

4. Farmol has the right to verify, throughout the duration of the Contract/s and/or the Order/s, either directly or through third parties, the respect by Supplier of the Farmol Suppliers' Business Codes and Policies, with confidentiality and with reasonable notice.

5. In the event that the Supplier breaches any of the obligations of the Farmol Suppliers' Business Codes and Policies, or refuses to implement an action plan requested by Farmol or does not implement an action plan agreed with Farmol with regard to the Farmol Suppliers' Business Codes and Policies, Farmol may suspend with immediate effect the execution of the Contract/s and/or the Order/s, without prejudice for the right to terminate the Contract/s and/or the Order/s as per clause 1.12.3 above and exercise any remedies available at law.

6. The Supplier may report through the following Farmol's platform <https://whistleblowing.farmol.com/#/> any breach or suspected breach of the Business Codes and Policies and/or any applicable laws; reports may be anonymous but shall contain a description of the events that constitute the breach of the provisions contained in the Business Codes and Policies, including information about time and place of occurrence of the relevant events, as well as the persons involved. Farmol will not tolerate threats or reprisals of any kind against employees and third-party collaborators arising from such reporting and shall adopt all appropriate actions against any persons engaging in any such acts of threat or reprisal.

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1.13. Anti-Corruption

1. In connection with the Order/s and/or Contract/s and the performance of the obligations thereunder, Supplier represents, warrants and undertakes the following:

(i) Supplier shall comply with the Anti-Corruption Laws;
(ii) Supplier shall comply with Anti-Corruption Laws in obtaining all licenses, permits and approvals required by any competent authority in connection with the Order/s and/or Contract/s;
(iii) Supplier shall not take any action or permit, authorize or tolerate any action in breach of the Anti-Corruption Laws;

(iv) Supplier shall not offer, pay or promise, directly or indirectly, money or anything of value, for the purpose of assisting Farmol in obtaining or retaining business, directing business to Farmol or to any person or entity in connection with the Order/s and/or Contract/s, securing any improper advantage in any way related to the Order/s and/or Contract/s, or influencing any official act or decision of any official, party, government, government agency or government-owned or controlled entity, to any of the following:

(a) Government Officials. A person does not cease to be a government official by purporting to act in a private capacity or by the fact that he or she serves without compensation; or

(b) Political parties or party officials; or

(c) any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly to any of the above-identified persons or organizations;

(v) to Supplier's knowledge, Supplier, its controlling shareholder/s, its directors and key officers and its controlling shareholder/s' directors and key officers have not been convicted of, or plead guilty to, any offense involving fraud or corruption, with a non-appealable judicial decision;

(vi) on the basis of the information currently available to Supplier, Supplier, its controlling shareholder/s, its directors and key officers, its controlling shareholder/s' directors and key officers have not been listed by any government or public agency, even supranational or any judicial authority as debarred, suspended, or proposed for suspension or debarment or otherwise ineligible for government procurement programs;

(vii) Supplier has not offered to pay, nor has Supplier paid, nor will Supplier pay, any political contributions to any person or entity on behalf of Farmol; and

(viii) Supplier shall keep full, true, and accurate records and accounts, and records of its receipts and expenses having to do with the Order/s and/or Contract/s, including records of payments to third parties, supported by detailed invoices, in accordance with generally-accepted accounting principles in connection with the Order/s and/or Contract/s. Furthermore, Supplier shall make these records available for audit by or on behalf of Farmol upon fifteen (15) days prior written notice, during regular business hours, at Supplier's principal place of business and shall provide Farmol with reasonable assistance in order to review and secure copies of such information. Farmol shall treat the information received during the audit period as "Confidential Information", in compliance with the provisions of clause 2.1 of the General Conditions.

2. Supplier shall cause any of its Affiliates or any of its or their directors, officers, advisors, representatives, employees or agents to comply with items (i) to (iv) of this clause.

3. Supplier acknowledges that, in case of any breach of this clause, Farmol shall be entitled to immediately suspend performance of its obligations under the Order/s and/or Contract/s, without prejudice to its termination rights in compliance with clause 1.13.4 below.

4. Supplier's failure to comply with the commitments under clause 1.13.1 and/or clause 1.13.2 above shall be considered a cause for termination of Order/s and/or Contract/s pursuant to Article 1456 of the Italian Civil Code and shall entitle Farmol to terminate them

with immediate effect, without prejudice to compensation for any damages incurred.

5. Supplier will indemnify and hold harmless Farmol and its representatives, from and against any loss, claim, cost or expense (including legal and attorneys' fees) incurred by Farmol or its representatives based upon or arising out of any breach of this clause 1.13 and/or any violation by Supplier, any of its Affiliates or any of its or their directors, officers, advisors, representatives, employees or agents of any Anti-Corruption Laws.

2. CONFIDENTIALITY AND INTELLECTUAL PROPERTY

2.1. Confidential Information

1. The Supplier acknowledges and agrees that Farmol is the owner of Confidential Information and of any related intellectual property right.

2. The Supplier shall:

(a) keep secret and not disclose Confidential Information to any third-party;

(b) put in place all measures and precautions that are reasonably necessary and appropriate to prevent the disclosure and unauthorized use of Confidential Information;

(c) at the end of the performance of the supply, or even earlier upon request of Farmol, promptly return all documents containing Confidential Information and any other Farmol data and destroy and/or delete any copy thereof, whether hard copies or copies on any other support (including any IT support), subject to the Supplier's obligation, within 30 (thirty) days from Farmol's request, to deliver a statement certifying the successful disposal and/or cancellation of such documents and/or copies, unless the applicable law mandatorily requires to keep them;

(d) use Confidential Information solely for the purpose of performing the Contracts and/or the Orders;

(e) not reproduce or copy Confidential Information except as expressly authorized by Farmol;

(f) not patent any information or data contained in such Confidential Information;

(g) disclose Confidential Information within its own organization only to the employees whose duties imply the knowledge of such Confidential Information;

(h) inform any employees within its own organization who become aware of Confidential Information, of the confidentiality obligations related thereto;

(i) not develop for third parties and/or supply to third parties, for whatsoever reason, directly or indirectly, products made by using Confidential Information;

(j) require any third party to whom the Supplier must communicate Confidential Information in the execution of the Contracts to comply with the obligations under this clause and shall ensure such compliance, subject to the Supplier's liability to Farmol for any infringement by such third party of the obligations mentioned in this clause with respect to such Confidential Information.

3. If the use of the Results implies the use of any patent, software and know-how or any other intellectual property right held by the Supplier ("Rights of the Supplier"), the Supplier hereby grants Farmol a non-exclusive, royalty-free, irrevocable, perpetual and assignable license (with sublicensing rights) to use the Rights of the Supplier for the sole purpose of Farmol's use of the Results.

4. Neither these General Conditions nor the disclosure of Confidential Information as envisaged herein, may be interpreted as granting the Supplier any licenses to patents, patent applications, or any other intellectual property rights with respect to information and data contained in Confidential Information.

5. Regardless of the term of the relevant contractual relationship, with reference to each piece of Confidential Information received, the Supplier's obligations under clause 2.1.2 will cease to be

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effective when all Confidential Information enters the public domain through no fault of the Supplier.

2.2. Supplier's intellectual property rights

1. The Supplier warrants that the Good/s supplied thereby, their components and accessories (even if subsequently processed by Farmol or by third parties on behalf of Farmol) do not infringe third-party industrial or intellectual property rights.

2. If the Good/s supplied thereby, their components and accessories (even if subsequently processed by Farmol or by third parties on behalf of Farmol) include embedded software, the Supplier shall grant a perpetual, non-exclusive, and transferable license to Farmol.

3. The Supplier undertakes to promptly settle any third-party claim of infringement of industrial or intellectual property rights by reason of the possession or use, as the case may be, by Farmol, of the Good/s, and shall in any case indemnify Farmol from and against such claims. Except as otherwise agreed in writing, the Supplier waives the right to enforce any intellectual property rights in the Good/s against Farmol, its successors in any capacity and also within its business branch or part thereof, its customers and licensees (as well as their customers and licensees, even subsequent ones).

4. Unless otherwise and expressly indicated to the Supplier prior to signature of the Contract/s and/or the Order/s, the Good/s supplied must be considered freely exportable to the country (identified in the Contract/s and/or in the Order/s) where delivery is to take place.

3. DELIVERY, OWNERSHIP, RISK, AND ACCEPTANCE

3.1. Delivery

1. Unless otherwise agreed in the Contract/s and/or in the Order/s, delivery of Good/s shall take place Delivered At Place (DAP) Incoterms (2020).

2. Supplier shall immediately notify Farmol in writing regarding any foreseeable delay to a delivery.

3. Envelope, packaging and transport of the Good/s shall be performed in such a way to protect them against damages.

4. Supplier shall deliver Good/s together with the related technical documentation (including CE Declarations and compliance certifications, User, Maintenance, and Safety Manuals, Technical Drawings, Layouts, Electrical and Pneumatic Diagrams).

3.2. Ownership, risk and acceptance

Unless otherwise agreed in writing, ownership and risk of the Good/s transfer to Farmol upon delivery of the Good/s.

3.3. Place and time of delivery

1. The Supplier shall strictly comply with the terms for delivery specified in the Contract/s and/or in the Order/s and shall not deliver the Good/s earlier or later.

2. Farmol shall be entitled to return any Good/s supplied before the agreed delivery date, at the Supplier's expense, and to charge the costs of storage and any financial costs of the advance delivery period to the Supplier.

3.4. Late delivery

1. In the event of late delivery of the Good/s, Farmol shall be entitled to apply a penalty for late delivery equal – unless otherwise specified in writing in the Order/s or in the Contract/s – to 0.5% per each entire week of delay, up to a maximum of 5% of the overall price of the Good/s which have not been delivered by the agreed deadline.

2. In addition to the penalty indicated above, Farmol shall have the right to receive full compensation of all damages caused to it

directly or indirectly, including, but not limited to, damages for business interruption or loss of production due to the late delivery of the Good/s.

4. PRICES AND PAYMENTS

1. Unless otherwise agreed in writing, the prices indicated in the Contracts and in the Orders shall be considered fixed and not subject to any revision.

2. The invoices issued by the Supplier, where the amounts indicated therein are actually due, shall be paid in accordance with the terms specified in the Contracts or in the Orders.

3. In order to apply the provisions of the tax treaty between Italy and the country of tax residency of the Supplier for the avoidance of double taxation currently in force (the "Tax Treaty"), the Supplier shall deliver to Farmol, before the first payment date of each year of the Contract period, a valid Tax Residence Certificate, issued by the Tax Authority stating that the Supplier is tax resident in the country as defined by the Tax Treaty, as well as a Self-Declaration, issued by the legal representative of the Supplier, stating not to have in Italy a permanent establishment or a fixed base to which the income effectively connects. The Certificate of Tax Residency and the Self-Declaration have "calendar year validity" and shall be therefore renewed for every year of the Contract Period.

The Supplier shall provide the abovementioned documents ("Tax Documents") at the beginning of each calendar year and, in any case, before the first payment of each calendar year. The total amount paid to the Supplier could be deducted from any withholding tax, if applicable according to the Italian law (article 25 of the DPR 600/73) and/or to the Tax Treaty. In case the Supplier does not deliver to Farmol both the Tax Residence Certificate and the Self-Declaration within the first payment date, the withholding tax shall apply, according to article 25 of the DPR 600/73.

The Supplier undertakes to promptly inform Farmol should its tax status (country of tax residence or execution of any activity through a permanent establishment in Italy) change in the same tax year and, in such event, to promptly provide Farmol with the updated versions of the Tax Documents.

All documents and notifications shall be sent to the e-mail address: accounting@farmol.com.

4. In any case, Supplier shall hold Farmol harmless and indemnified from any damage, loss, cost or expense (including, if any, sanctions imposed on Farmol in compliance with applicable law) incurred by Farmol as a consequence of any breach and/or non-fulfilment by Supplier of any of the provisions of this clause.

5. In all cases of non-fulfilment by the Supplier, Farmol shall be entitled to suspend the payments due to the Supplier, without prejudice to the application of any interests or penalties, as long as the Supplier has not remedied to its non-fulfilment.

5. TERMINATION AND BUY-IN CLAUSE

5.1. Termination

1. In the event of any breach by the Supplier of its obligations under the Contract/s and/or the Order/s, Farmol shall have the right, without prejudice to any additional remedies specified in the Contract/s and/or in the Order/s for specific cases and any other remedy it may avail under applicable law, to send the Supplier a default notice, with the declaration that, if there has not been fulfilment within 15 (fifteen) days, then the contractual relationship shall be deemed terminated, without prejudice to compensation for any damages incurred.

2. In addition to the provisions of clause 5.1, Farmol shall be entitled to terminate the Contract/s and/or the Order/s at any time and with immediate effect, according to Art. 1456 of the Italian Civil Code, upon written notice to the Supplier and without prejudice to

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compensation for any damages incurred, in the event that the Supplier breaches:

(a) the obligation under clause 1.7.1 (Non-assignability of Contracts and credits),

(d) the obligation under clause 1.8.1 (Information Security),

(e) the obligation under clause 2.1 (Confidential Information), or

(f) the obligation under clause 6.3.3 (repairing or replacing defective Good/s in compliance with the relevant Order/s and/or Contract/s).

3. The termination of the Contract/s and/or Order/s under the provisions of this clause and in all other cases shall be without prejudice to Supplier's obligations as stated in clause 2 (confidentiality), which shall survive any such terminations.

5.2. Buy-in clause

In the event of any breach by the Supplier of its obligations to supply Good/s under the Contract/s and/or the Order/s, Farmol will be entitled to buy replacement Good/s and charge the costs to the Supplier.

6. GUARANTEE AND QUALITY

6.1. Duration

Unless otherwise agreed in the Order/s and/or in the Contract/s and without prejudice to any mandatory guarantee under applicable laws, the Supplier guarantees the suitability for use of the Good/s supplied for a minimum of 24 (twenty-four) months from the date of delivery, providing Farmol with a specific technical support during the warranty period.

6.2. Quantity

1. If the quantities of Good/s delivered do not correspond to the agreed quantities under the Contract/s and/or the Order/s, Farmol may, at its own discretion, opt to:

(a) accept the quantities delivered and change the quantities of subsequent supplies accordingly;

(b) require the Supplier to collect the quantities in excess of the ordered quantities, or, if Farmol deems it appropriate, make restitution of all or part of the aforesaid quantities, at the Supplier's expense; Farmol shall be entitled to: (i) charge the Supplier the costs for such restitution and storage costs, if the Supplier does not collect the Good/s immediately, and (ii) obtain the reimbursement of payment of such quantities, if already made;

(c) have the Supplier immediately sending the missing quantities of Good/s, charging the Supplier the costs and expenses resulting from Supplier default.

2. Farmol may exercise the options listed above within 3 (three) months of the date of delivery of the Good/s.

6.3. Quality

1. The Supplier guarantees that the Good/s supplied will be free of defects and in compliance with the Technical Specifications. Good/s to be supplied shall be considered as defective, by way of example but not limited to, in the following cases:

(a) they do not comply with what has been agreed under the Order/s and/or Contract/s,

(b) they do not reflect the characteristics of the samples and prototypes delivered by the Supplier or

(c) they are not suitable for the use for which Farmol intended to use them.

2. Farmol will be entitled to conduct inspections at the Supplier's premises both for inspection of the Good/s and for acceptance of the Good/s, if required, and to check the quality system implemented in the Supplier's organization. The methods and the extent of the inspection shall be agreed on with the Supplier in each specific case.

3. Without prejudice to any right of Farmol pursuant to the Order/s and/or the Contract/s, as well as to any applicable laws, the Supplier shall, upon request of Farmol and within a reasonable term set by Farmol itself, repair or replace the defective Good/s in compliance with the relevant Order/s and/or Contract/s.

4. The Supplier guarantees the suitability for use of the replaced Good/s for a minimum of 24 (twenty-four) months from the date of delivery, providing Farmol with a specific technical support during the warranty period.

5. Should the Supplier not comply with the above, Farmol will be entitled, alternatively and at its sole discretion, to:

(i) terminate the relevant Contract/s and/or Order/s in compliance with previous clause 5.1,

(ii) obtain a congruous reduction of the price of the defective Good/s, or

(iii) if only part of the Good/s is defective, request to a third-party supplier of its choice to supply goods to replace the defective Good/s, at the expenses of the Supplier.

(iv) claim any penalties or additional damages caused by the Supplier's failure to comply, without prejudice to any other rights of Farmol.

6. Farmol may exercise the options listed above within 3 (three) months of the date of delivery of the Good/s.

7. Should, in accordance with all the applicable law provisions, Farmol decide to carry out a campaign of recall or replacement of its own products due to defects of the Good/s provided by the Supplier, the latter shall hold Farmol indemnified from any action, right or claim of third parties including any cost, expense and charge necessary for the campaign of recall or replacement (including any logistic or assembling and disassembling costs).

8. Claims for defects shall be notified by Farmol to the Supplier in writing within 2 (two) months from discovery of the defect, specifying the nature of the defect and any related documentation. The Supplier shall promptly acknowledge the claim and cooperate with Farmol in investigating and resolving the issue.

6.4. Insurance

Supplier shall have or enter into, at its own expenses, an insurance policy (with a primary standing insurer and with thresholds and limits in line with ordinary market conditions) covering its responsibility for damages to third parties for any reason, including by way of producer's responsibility, deriving from the supply under the Order/s and/or the Contract/s. The Supplier shall deliver to Farmol copy of such insurance policy.

6.5. General indemnification

Supplier shall indemnify and hold harmless Farmol and its representatives, from and against any loss, claim, cost or expense (including legal and attorneys' fees) incurred by Farmol or its representatives based upon or arising out of any breach by the Supplier in relation with supply and/or use of the Good/s.

7. APPLICABLE LAW AND JURISDICTION

7.1. Applicable law

The Order/s and the Contract/s are regulated under any aspect by the Italian law.

7.2. Jurisdiction

Any disputes which may arise in relation to and/or as a result of the supply of Good/s and/or the Contract/s and/or the Order/s, their performance, effectiveness, validity, interpretation, termination and expiration, as well as any relation referred to or connected with the supply of Good/s and/or the Contract/s and/or Order/s and all related credits and debts, shall fall under the exclusive jurisdiction of the Court of Milan.