

GENERAL CONDITIONS OF SALE OF FREUD S.P.A. - SOCIETÀ UNIPERSONALE

Version 01.2025

1. ORDERS: Any purchase order (hereinafter, the 'Order') concerning products, spare parts and accessories (hereinafter, collectively, the 'Products') marketed by Freud S.p.A. - Società Unipersonale (hereinafter, 'Freud' or the 'Seller') shall be deemed to be governed by these general conditions of sale (hereinafter, the 'Conditions' or 'General Conditions'). These Conditions apply exclusively to the sale of the Products to business customers registered for VAT and appropriately codified in the Seller's Customer master data (including public bodies and special funds under public law) (hereinafter, the 'Customer'). The application of the Customer's general or particular conditions is in any case excluded. Deviations from these General Conditions shall only be valid if accepted in writing by the Seller. The effectiveness of Orders, even if collected through Freud's sales staff, is subject to express acceptance by Freud itself (hereinafter, the 'Order Confirmation'). The issue and dispatch of the Order Confirmation ratifies formal acceptance of the Order and the insertion of the material in Freud's production and/or delivery cycles. Once the aforementioned Order Confirmation has been issued, no changes, variations or cancellation, even partial, of the relative Order can be made, unless accepted in writing by Freud. Each sales contract relating to the Products (hereinafter, the "Contract") shall therefore be deemed concluded upon receipt by the Customer of the Order Confirmation, which shall be sent to the latter by e-mail or, alternatively, downloaded by accessing the private customer area in the order platform (hereinafter, "B2B") or, alternatively, by any other means of communication agreed upon with the Customer. Fifteen (15) working days after the day of receipt of an Order without Freud having made contact with the Customer in connection with the Order or having transmitted the Order Confirmation, the Order shall be deemed not to have been accepted by the Seller, except in specific cases agreed upon in advance with the Customer. In the case of orders for certain special products, due to technical production requirements, the Seller may deliver within a tolerance of 5% more or less than the quantity indicated in the order. The Customer shall be obliged to accept and pay for what is actually delivered. The invoice is based on the actual delivery. Should the Customer's solvency guarantee fail, Freud S.p.A. - Società Unipersonale reserves the incontestable right to cancel the order or to postpone delivery of the material concerned.

2. PRICES: The prices listed in Freud's price lists shall be understood as fixed and invariable, Ex Works, excluding VAT and net of transport costs, packaging costs, taxes, customs duties and other charges. VAT will only not be charged in cases where the conditions for applying the tax exemption under the applicable legislation are met. The final sales prices are determined on the basis of Freud's price list, discounts and/or net prices agreed with the individual Customer and in force at the time of delivery. The VAT rate shall be the one in force at the time of delivery. Freud reserves the right to change product price lists at any time. In the case of Orders already received by Freud and not yet accepted by Freud, the latter will transmit to the Customer the acceptance of the Order with the new pricing. In this case, acceptance of the Order shall be equivalent to a sales proposal, which, for the conclusion of the Contract, must in turn be accepted by the Customer by e-mail or by any other means of communication agreed upon by the parties.

3. DELIVERY: The delivery terms of the Products indicated in the Order Confirmation are purely indicative and are not binding on Freud. Failure to comply with the terms shall not prejudice the validity of the Order and shall not entitle the Customer to request termination of the Contract, nor to refuse the goods, nor to claim damages.

4. DISPATCH: The transport of the Products shall be at the Customer's own risk, even in the case of use of a preferred carrier chosen by Freud, except in the case of "Carriage Paid" shipment, which shall in any case be expressly agreed upon in writing between the Parties. Any liability on the part of Freud for damage occurring during transport, breakage, damage, theft or tampering shall therefore be excluded. It shall also be understood that in the case of 'Carriage Paid' shipment, standard shipping costs will be charged according to the freight rates in force at the time of shipment.

5. REPORTING OF DEFECTS: Under penalty of forfeiture, any claims for obvious defects discovered on the Products - or discoverable with ordinary diligence - at the time of receipt of the Products must result on the transport document or other equivalent documents at the time of receipt of the same. Notification of hidden defects shall be made in writing to Freud, under penalty of forfeiture, no later than eight (8) days after their discovery. In any event, reports of defects made after the period of twelve (12) months after delivery of the Products to the Customer shall not be taken into account. The date on which the Customer sends Freud the complaint or notice of defect shall be taken into account for the purpose of assessing compliance with the above terms. If the notice of defect proves to be unfounded, Freud shall be entitled to claim reimbursement of any costs incurred in handling the report from the Customer.

6. RETURNS: Freud does not accept returns of Products purchased by the Customer, except in cases expressly authorised and accepted by Freud in accordance with the following provisions. A Customer who intends to return purchased Products must necessarily, under penalty of forfeiture, send a prior request for return authorisation to Freud within ninety (90) working days from the date of the purchase invoice, using the appropriate form, by e-mail (addressing such request to the sales contact), indicating the Products codes and quantities for which the Customer requests the return. Products that may be affected are only and exclusively those that are standard in the catalogue and still on the market. Freud may authorise the return in advance by sending the Customer an authorisation notice to which a return number will be assigned, confirming the acceptance of the Products codes and the quantities of the Products with respect to the request subject to return. The return number must absolutely be indicated on the Customer's return slip and stated on the return package. The sending of such duly completed documentation is an essential requirement for Freud to continue the verification of the acceptability of the return; in the absence of such documentation, Freud shall be obliged to decline the return, and the following shall apply immediately and automatically. The Customer, on receipt of the authorisation notice shall return the Products at his own expense, it being understood that (1) acceptance of the parcel by Freud does not imply explicit or implicit acceptance of the return, (2) in case of withdrawal of larger quantities of Products or in case of different Products than authorised, Freud shall be entitled to decline the return in full and return the same at the Customer's expense. Freud will proceed to verify the Products received and inform the Customer of the acceptance or rejection of the return within approximately sixty (60) days after receipt of the Products. Freud reserves the right to accept the return of only those Products that comply with all of the following conditions: (i) have been packed by the Customer in the original packaging in an appropriate manner in order to avoid damage during transport; (ii) are not damaged; (iii) have not been tampered with in any way and are still in their original packaging. Following verification, if Freud formally accepts the return, Freud shall refund to the Customer, by means of a credit note, the amount paid by the Customer for the purchase of the Product, provided, however, that the Customer shall not be refunded, save for any exceptions, the transport or other costs incurred by the same in connection with the initial shipment of the Products. Such credit note shall be valid as acceptance of the return by Freud, without any further communication in this respect, and shall be issued approximately within sixty (60) days after receipt of the returned Products, Parts and/or Accessories. If Freud declines the return, such refusal shall be communicated to the Customer, who shall have five

(5) working days to acknowledge Freud's communication concerning the refusal of the return indicating its intention to collect the Products from the warehouse indicated by Freud.

7. PACKAGING: There are no other expenses envisaged for standard shipping packaging. It is the responsibility of Freud to ensure packaging in the best possible way to prevent damage during transportation. Special requests by the Customer relating to Packaging must be agreed upon between the parties in writing in advance and Freud reserves the right to charge the relative costs to the Customer.

8. PAYMENT: Payment shall be made directly to Freud S.p.A. - Società Unipersonale - Pavia di Udine (UD) IT-ALY. Rounding off or arbitrary deductions are not permitted. In the event of late payment of any amount for any reason whatsoever owed to Freud by the Customer, default interest shall accrue from the due date of payment, without the need for a notice or a declaration of default from Freud, in accordance with the provisions of Legislative Decree No. 231/2002, or regulations from time to time in force. The date of receipt of payment shall be understood to mean the date on which payment is credited to the account of the bank indicated by Freud.

9. WARRANTY: All the Products are designed and manufactured according to meticulous procedures and are guaranteed to be without manufacturing defects. The goods are covered by a warranty valid for 18 (eighteen) months from the date of purchase, as documented by the relevant purchase receipt, in the event of demonstrable material or manufacturing defects occurring before the expiry of the warranty period. The following cases are not covered by the warranty:

- Tools modified or integrated (by way of example and not exhaustive: with welding, tip brazing, re-sharpening, re-balancing works, bore modification and in general anything that might change the original characteristics of the product);
- Parts of the tool subject to natural wear or deterioration due to normal use and tool defects attributable to the same causes;
- Tool defects attributable to non-observance of the instructions for use; improper use; improper assembly; applications other than that intended; storage in abnormal environmental conditions; lack of general maintenance and care;
- Tool defects caused by the use of non-original accessories, complements and spare parts;
- Minor anomalies of the product characteristics that do not invalidate the value and the performance of the tool;
- Accidental damage caused by the customer.

The elimination of defects recognised under the warranty shall be effected by repairing the defective Product free of charge, or by replacing it with a defect-free Product (possibly also with a later model). The replaced components will become Freud's property. Other rights, other than the right to rectification of defects as defined in this Article, do not apply: in particular, the Customer is not entitled to a replacement Product during the repair period.

The warranty period is neither extended nor renewed in the event of warranty service.

We claim no responsibility for direct and indirect damages due to improper use of the product or non-observance of the provisions and conditions of use indicated on the tools, manuals and catalogues.

10. INTELLECTUAL PROPERTY: Freud Products are subjected to continuous technological innovation, therefore Freud S.p.A. - Società Unipersonale reserves the right to make the necessary changes and improvements without any obligation arising for goods supplied beforehand. Our company will do its utmost to provide the correct descriptions, designs and any other information in our correspondence, catalogues, etc., but Freud S.p.A. - Società Unipersonale claims no responsibility for any imprecision in the above-mentioned documents. Specifics, drawings, specifications, samples, models, equipment and documents that Freud may have communicated to the Customer for any reason whatsoever shall remain the property of Freud and the Customer undertakes to keep them confidential in accordance with Article 16 "CONFIDENTIALITY" below and to use them exclusively for the performance of the contracts concluded with Freud. Freud is only responsible for the quality and functionality of its Products as described in the official technical documentation. Freud is therefore not responsible for the completeness and/or compliance of the material list, system architectures and/or specifications, designs, and compliance with the requirements of the end user and/or any third party. Any liability of Freud for disputes arising out of (alleged) infringement of intellectual or industrial property rights or copyrights of third parties (hereinafter referred to as 'IPR') is excluded in the event that the IPRs are owned by the Customer, by a business in which the Customer directly or indirectly holds a majority of the shares or voting rights, or by a business that directly or indirectly holds a majority of the Customer's shares or voting rights. Any liability of Freud for disputes arising from (alleged) infringement of an IPR belonging to a third party is likewise excluded, unless the IPR is protected by publication in the European Patent Office or in the patent office of one of the following countries: Federal Republic of Germany, France, Great Britain, Austria or the United States. The Customer shall immediately inform Freud in writing of any alleged IPR infringement of which it becomes aware, explaining the potential risks associated therewith. At Freud's request, the Customer shall authorise Freud to handle, where possible, any judicial or extra-judicial proceedings. Freud may, at its sole discretion, obtain the right to use a Product alleged to infringe an IPR or modify the Product so that it does not infringe the IPR, or replace it with an equivalent product that does not infringe any IPR. Freud reserves the right to act in the foregoing terms even if the alleged infringement of the IPR has not been judicially recognised and/or if Freud does not acknowledge the existence of any infringement. If it is not possible for Freud to proceed as above under reasonable conditions and time frame, either party may withdraw from the Agreement and/or the order for the part concerning such Product. No claims may be asserted and/or invoked by the Customer against Freud in connection with any claims and/or demands by the Customer's customers, except to the extent permitted by mandatory statutory provisions. The Customer shall have no claim against Freud in the event that the Customer is even partly responsible for the infringement of the IPR or in the event that the Customer has failed to adequately support Freud in the event of claims or demands made by third parties. The Customer shall have no claim against Freud even if the Products have been manufactured in accordance with the specifications or instructions provided by the Customer, if the alleged IPR infringement arises from the joint use of the Product with another product not supplied and/or manufactured by Freud, and if the Products have been used in a manner not intended by Freud. Without prejudice to mandatory statutory provisions, claims for (alleged) IPR infringements must be received in writing by Freud no later than 12 (twelve) months after delivery of the products to the Customer. Compensation for damages relating to IPR infringements is entirely governed by these General Conditions. In the event that the Customer has undertaken to grant its customer a longer period of time than provided for in this paragraph, and subject to the mandatory provisions of the law, such agreements shall in no way be enforceable against Freud. It is understood that this paragraph shall only apply with reference to actions and/or claims however named relating to the infringement of IPR, to the exclusion of all other actions and/or claims, which shall instead remain governed by the other paragraphs of these general conditions of supply as well as by the law.

11. REVERSE ENGINEERING: In the absence of Freud's prior written consent, the customer is precluded from carrying out inspection, analysis, decoding or testing by whatever name (so-called reverse engineering) of a product supplied by Freud. In addition to the preceding paragraph, with respect to software, the customer shall not be authorised to process, modify, reverse engineer, decompile or disassemble the programme code or parts thereof or to otherwise establish the source code or produce derivative works from the software. The mandatory and binding provisions of copyright remain unaffected and fully applicable.

12. COPYRIGHTS: All rights are reserved in compliance with the law. Freud S.p.A. - Società Unipersonale prohibits copying or reproduction of text, designs or illustrations, in all or in part, without written consent of Freud.

13. TERMINATION: Without prejudice to the provisions of Article 1454 of the Italian Civil Code, Freud shall be entitled to immediately terminate each Contract governed by these General Conditions, in accordance with Article 1456 of the Italian Civil Code, if the Customer:

- fails to pay all or any part of the sums due to Freud in respect of the supply of Products on time;
- refuses to collect the Products supplied by Freud;
- discloses confidential commercial and/or technical information (as defined in Article 16 below) to third parties;
- to the extent provided for by applicable law, is subject to insolvency proceedings, or submits a proposal for a debt restructuring agreement pursuant to Article 182-bis Bankruptcy Law or any other type of settlement agreement with the Customer's creditors, or in the event of protests or pending enforcement proceedings against the Customer;
- is in such a financial situation as to prejudice the satisfaction of Freud's claims, for instance also due to non-payment of other supplies or to other suppliers, and refuses, at Freud's request, to provide Freud with appropriate security;
- is subject to changes in the company structure and/or corporate structure, such as, but not limited to, total or partial transfer of a business unit, merger, demerger.

Following termination of the Contract, the Customer shall also immediately return the said goods to Freud or its sales agents.

14. EXPORT CONTROL:

(i) Each party is entitled to refuse to perform its obligations under the Contract insofar as the foreign trade law, including, without limitation, national and international (re-)export control and customs regulations, including embargoes and other sanctions, which is applicable to this contract and/or the performance of the Contract (hereinafter "Foreign Trade Law"), render impossible or prohibit the fulfilment of its obligations under the contractual relationship. In such cases, either party is entitled to terminate the Contract in whole or in part to the extent that the Foreign Trade Law makes it impossible or prohibits the proper fulfilment of its obligations under the Contract. If, in the event of partial termination, partial performance is excluded for technical or legal reasons or if one of the parties has no interest in partial performance, the termination will end the contract in its entirety.

(ii) In case of a delay in the performance of obligations under the Contract caused by licensing, authorization or similar requirements under Foreign Trade Law (hereinafter, "Authorisation"), the agreed deadlines and dates shall be extended/postponed by the period between the conclusion of the Contract and the granting of the Authorisation. In the event that the Authorisation be denied or not granted within twelve (12) months after filing the application, either party is entitled to terminate or rescind from the Contract in whole or in part insofar as the performance of the obligation requires such Authorisation. If partial performance is excluded for technical or legal reasons or if one of the parties has no interest in partial performance, the termination will end the Contract in its entirety.

(iii) Each party shall notify the other party within a reasonable time period upon becoming aware of a Foreign Trade Law which may prohibit or render impossible performance under sub-paragraph (i) above, or delay performance under sub-paragraph (ii) above.

(iv) Upon request, the Customer shall be obliged to provide all information and documents necessary for Freud to comply with the provisions of the Foreign Trade Law or when requested by the authorities. This includes information and documentation, including, but not limited to, on the end-user, destination and intended (end) use of the Products. At Freud's sole discretion, Freud may refuse to perform its obligations under the Contract or terminate the same if the Customer does not provide Freud with such information or documents within a reasonable period of time determined by Freud.

(v) In the event the Customer supplies to a third party (including any subsidiary or associated company of the Customer) any of the Products, the Customer shall comply with applicable Foreign Trade Law, insofar as Customer's non-compliance could lead to a violation of Freud's obligations to act or to refrain under Foreign Trade Law. Freud is entitled to refuse to perform its obligations under this contract to the extent that customer's breach of duty could lead to a breach of its obligation to act or refrain under Foreign Trade Law, or to terminate the contract for cause, if the customer breaches this obligation.

(vi) To the extent that the Customer purchases products from Freud that fall within the scope of Article 12g of EU Regulation 833/2014 or Article 8g of EU Regulation 765/2006, as amended, the following shall apply:

a) The Customer shall not sell, export or re-export, directly or indirectly, to the Russian Federation or Belarus or for use in the Russian Federation or Belarus, any goods or technology supplied under or in connection with the Contract that fall within the scope of Article 12g of EU Regulation 833/2014 or Article 8g of EU Regulation 765/2006, as amended.

b) The Customer shall undertake its best efforts to ensure that the purpose of sub-paragraph (i) of this Article 14 above is not frustrated by third parties downstream in the supply chain, including any resellers.

c) The Customer shall set up and maintain an adequate monitoring mechanism to detect any conduct by any third parties further down the commercial chain, including by any possible resellers, that might frustrate the purpose of sub-paragraph (i) of this Article 14 above.

vii) In the event that the Customer violates the provisions of paragraph vi) above, even if only due to mere negligence, this shall entitle Freud to discontinue with immediate effect any further deliveries to the Customer and to terminate at any time the Contract and all contracts concluded thereunder, to the extent that these have not yet been fully performed. In such cases, a letter of formal notice to be sent prior to the notice of termination will not be necessary. This is without prejudice to the right of either party to terminate the Contract with just cause.

viii) The Customer shall inform Freud immediately of any problems in the application of the provisions of paragraph (vi) of this Article 14 above, including any relevant activities by third parties that could frustrate the purpose of sub-paragraph (i) of this Article 14. The Customer shall make

available to Freud the information concerning compliance with the obligations as per paragraph (vi) of this Article 14 above within two (2) weeks of the simple request for such information.

(iv) In the event that the Customer delivers goods to Freud across customs borders, the Customer shall be obliged to provide Freud with all necessary documents and information, e.g., commercial invoice and delivery note, for a complete and correct customs import declaration for the delivery. In the event that free deliveries are made to Freud, the Customer shall be obliged to declare a value reflecting a fair market price, as well as the words "For customs purposes only" on the pro forma invoice. The value must contain all components of the asset, such as hardware and software.

v) Unless otherwise agreed in writing in the delivery or offer documents, the cross-border supply or provision of software, technology or other data (e.g., map data) shall be made exclusively by electronic means (e.g., e-mail or download). This clause does not cover the provision of embedded software (software that is installed on the hardware).

15. LIMITATION OF LIABILITY: Freud's liability for damages to the Customer is excluded, except in the case of:

- (i) fraud or gross negligence by Freud;
- (ii) fatal injury, bodily harm, or damage to health due to fraud or negligence by Freud;
- (iii) any liability, including objective liability, that cannot be waived under applicable law.

Damages for breach of contractual obligations are limited to the foreseeable damage, typical for a contract of sale, except in the case of fraud or gross negligence on the part of Freud, or in the case of fatal injury, bodily harm, or damage to health.

To the extent that there is no liability for damages against Freud under these General Conditions, the same shall also apply to the personal liability of employees, representatives and persons working for Freud for the performance of Freud's services under these General Conditions.

No reversal of the burden of proof to the disadvantage of the Customer follows from the foregoing provisions.

16. CONFIDENTIALITY: All commercial and technical information relating to Freud and/or its Products (hereinafter jointly referred to as "Confidential Information") that the Customer receives from Freud (including characteristics inferable from the delivered goods or software and other knowledge or experience) shall be kept strictly confidential and shall not be disclosed by the Customer to any third party, unless and to the extent that the same is demonstrably in the public domain, or unless Freud has authorised its resale through the Customer, and it shall only be made available to those within the Customer's company who necessarily need to make use of it and who shall be bound to maintain the strictest confidentiality in accordance with the provisions of this Article. Such Confidential Information shall remain the exclusive property of Freud. Such Confidential Information shall not be reproduced or used for commercial purposes without the prior written consent of Freud. Upon Freud's request, all Confidential Information made available or disclosed by Freud to the Customer (including, where applicable, copies or duplicates prepared by the Customer) shall be returned immediately and in its entirety to Freud, or be destroyed. Freud reserves all rights in the above-mentioned Confidential Information (including the rights under Articles 98 and 99 of Legislative Decree 30/2005, copyright and the right to file applications relating to industrial property rights, such as patents, utility models, semiconductor patent protection, etc.).

Specifics, drawings, specifications, samples, models, equipment and documents that Freud may have communicated for any reason to the Customer shall remain the property of Freud, and the Customer undertakes to keep them confidential in accordance with the provisions of this Article and to use them exclusively for the performance of the Contract.

17. PERSONAL DATA PROTECTION: As provided for by Article 13 of EU Regulation 679/2016 (GDPR), Freud shall inform the customer that the personal data provided by him/her are necessary for the performance of the contract and will be used exclusively for the fulfilment of the contractual obligations. The Data Controller is Freud S.p.A. Società Unipersonale, a sole shareholder company with registered office at via Remigio Solari, 7, Pavia di Udine, Ital. The data may be disclosed to other companies to whom Freud entrusts specific activities in the context of the provision or to other bodies in the cases covered by the law. Their personal data will not be shared and will be kept for the time necessary for the execution of the contract plus the further period required by law. The Customer may exercise the rights pursuant to Article 15 et seq. of EU Regulation 679/2016 as well as reporting cases of breach of Privacy, by accessing the following website <https://www.bkms-system.net/bosch-datenschulz>. In case of breach of their rights, they can make a claim to the supervisory authority concerned pursuant to Article 77 of EU Regulation 679/2016, without prejudice to the possibility to complain directly to the legal authority. For any communication needs regarding the processing of their personal data, they can contact the Data Privacy Officer (DPO) at the following e-mail address: DPO@bosch.com

18. FORCE MAJEURE. SUPERVENING EXCESSIVE ONEROUSNESS OF THE PERFORMANCE: Force Majeure. For the purpose of these General Conditions, "Force Majeure Event" shall mean any occurrence, event or fact beyond Freud's control that may prevent or delay the regular execution of an Order by Freud. By way of example only, a Force Majeure Event is represented by the following facts or acts:

- (a) wars, revolutionary uprisings, acts of piracy and sabotage, terrorist attacks;
- (b) cataclysms or natural disasters such as storms, tornadoes, earthquakes, floods, destruction by lightning;
- (c) explosions, fires, destruction of production, industrial and warehouse facilities;
- (d) boycotts and strikes of any kind, whether general or limited to Bosch personnel;
- (e) acts, decisions or recommendations of public authorities, whether national or international;
- (f) embargoes and prohibitions or restrictions on the movement of goods and/or persons;
- (g) suspension of the supply of water, gas and/or electricity from external networks due to a Force Majeure Event;
- (h) failure or insufficient supply to Freud of raw materials and/or utilities and/or services of third parties due to a Force Majeure Event affecting the latter;
- (i) epidemics, pandemics or other national or international health emergencies, including the COVID-19 pandemic, and the restrictive measures taken in the context of such emergencies, including those restricting the ability of Freud's personnel or their suppliers to work or travel.

The definition of Force Majeure Event also includes measures or actions taken by Freud in order to reasonably prevent the occurrence of a Force Majeure Event or to protect higher-ranking fundamental rights (such as, but not limited to, measures restricting production activities that are reasonably and proportionately justified by the need to prevent or otherwise limit the risk of COVID-19 infection among its personnel).

Upon the occurrence of a Force Majeure Event, Freud:

- shall not be liable to the Customer for the consequences of its own delay or non-performance for the entire duration of the Force Majeure Event;
- may extend the time frames for delivery of the Products to an extent that is appropriate and proportionate to the duration of the Force Majeure Event, the Customer hereby waiving any claims relating to any potential loss of interest due to the delivery of the Products already purchased;

- if the Force Majeure Event makes it impossible to execute an Order, Freud may cancel it - in whole or in part - without the Customer being entitled to any compensation or indemnity.

Freud undertakes to inform the Customer within a reasonable time of the occurrence of a Force Majeure Event and the impact of such an Event on the performance of its contractual obligations and to inform the Customer of the determinations made pursuant to this Article.

Supervening excessive onerousness of performance. If a party proves: (a) that the performance of its contractual obligations has become excessively onerous because of an event beyond its control, which it could not reasonably have expected to occur at the time of the conclusion of the Contract; and (b) that it could not reasonably have avoided or overcome that event or its effects, the parties shall, within a reasonable period after the invocation of this clause, negotiate new contractual conditions that reasonably take into account the consequences of that event.

In the event that the parties have been unable to agree as provided in the preceding paragraph, the party invoking this excessive supervening onerousness clause has the right to terminate the Contract with immediate effect by notice in writing to the other party. In the event of withdrawal so exercised, payment shall be due in favour of Freud only for the goods actually delivered to the Customer in accordance with these General Conditions.

19. CODE OF ETHICS: The Customer declares that they have read and will comply with the contents of the Code of Ethics in force at Freud S.p.A., available at www.freudtools.com. The Customer declares that they are aware of the fact that compliance with such provisions is an essential element for Freud for the purpose of establishing business relations regulated by these General Conditions and, in general, for the purpose of maintaining the contractual/commercial relationship with the Customer. The breach by the Customer of any obligation contained in the Code of Ethics shall entitle Freud to terminate with immediate effect, pursuant to Article 1456 of the Italian Civil Code, any Contract in force with the Customer, without prejudice to the right to compensation for all damages suffered as a result of the Customer's breach.

20. APPLICABLE LAW AND JURISDICTION: This agreement is governed by Italian law. Any dispute arising out of or in connection with these General Conditions and/or the Contracts governed by the same shall be subject to the exclusive jurisdiction of the Court of Milan, with the express and agreed exclusion of any other competing or alternative jurisdiction.

21. MISCELLANEOUS: The possible invalidity, ineffectiveness and/or nullity of one or more clauses of these General Conditions and/or of the individual Agreements concluded between the parties shall not entail the invalidity, ineffectiveness and/or nullity of the remaining clauses, nor of the entire agreement concluded between the parties.

Any toleration by Freud of conduct of the Customer contrary to the law or these General Conditions and/or individual Contracts shall not constitute acquiescence, nor shall it constitute grounds for termination of the Contract(s) by mutual consent and/or dissent, with the consequent right of Freud to take action at any time for the protection of its rights or interests violated. The parties expressly agree that a Contract, in whole or in part, may not be assigned to third parties without prior written agreement.

The Customer acknowledges having read and understood and acceptance of these General Conditions of Sale.

Furthermore, pursuant to Articles 1341 and 1342 of the Italian Civil Code, the Customer specifically approves the following clauses of these General Conditions:

Article 1 (Orders)
Article 3 (Delivery Terms)
Article 4 (Dispatch)
Article 5 (Reporting of defects)
Article 6 (Returns)
Article 8 (Payment)
Article 14 (Export control)
Article 15 (Limitation of liability)
Article 18 (Force Majeure. Supervening excessive onerousness of performance)
Article 20 (Applicable Law and Jurisdiction)