

STANDARD TERMS & CONDITIONS OF SALE

SERVICES & PRODUCTS

The term "I&M" as used herein shall mean Ideas & Motion S.r.l., a company duly incorporated and validly existing under the Italian laws, with its registered address at Via S. Margherita 8, 12051 Alba (CN) Italy including any subsidiary or affiliated company of I&M. The term "Buyer" shall mean the party placing the purchase order. I&M and Buyer are hereinafter individually referred to as "Party" and collectively as "Parties". No contractual relationship between the Parties shall arise until Buyer has placed an order that has been accepted by I&M by a written acknowledgement. The term "Term" shall mean this agreement of Standard Terms & Conditions of Sales for Services and Products.

1. **Sales and Orders** All services and products purchased hereunder (either singularly or collectively, hereinafter, "Products") from I&M are sold at the relevant prices specified in the applicable quotation ("Prices") and are subject to the unqualified acceptance of this Term by Buyer. There shall be no force or effect to any different or additional general terms of any purchase order, confirmation or similar form even if signed by the parties after the date hereof. Unless expressly stated otherwise, the prices contained in any quotation shall be valid for thirty (30) days following the date of the quotation. Buyer shall only use the Products sold to it by I&M in the manufacture of the products and final applications produced by Buyer utilizing the Products ("Finished Products") and may not resell any of the Products in bulk.

2. Orders, Pricing, Payment, Delivery and Scheduling Terms

2.1 **Orders** Buyer shall issue all Product orders in writing. Buyer's order shall include as a minimum the following information: Buyer's address, Buyer's VAT number, order number, requested quantity, requested delivery date, net price and reference to the applicable I&M quotation. All orders need to be confirmed in writing by I&M within 10 working days or they will be considered not accepted. The following minimum order and shipment quantities apply: prototypes and pre-series 1 unit, series production 100 units.

2.2 **Pricing** The applicable net price for Product is defined in the latest quotation or annual purchase agreement. I&M reserves the right to modify prices by observing a notifying period of 30 days. If by the time the price change becomes effective, orders with confirmed delivery dates prior to the effective date of price modification were not fulfilled, the prices shall remain unchanged for these orders. In addition to the price, Buyer will pay all charges, including without limitation, transportation charges and insurance premiums, and shall be responsible for all taxes (except I&M's income taxes), duties, costs of compliance with export and import controls and regulations, and other governmental assessments.

2.3 **Payment Terms** Upon approved credit, all payments due hereunder to I&M shall be paid to I&M in Euros (€) not later than thirty (30) days following the date of the applicable invoice. Late payments shall bear interest according to Italian D.lgs. 231/2002 and subsequent amendments and additions.

2.4 **Delivery Terms** Unless otherwise stated on the face of the purchase order and matching order confirmation, all Products are delivered Ex Works (EXW) I&M's facility in 12062 Cherasco (CN) Via Moglia 19 - Italy as defined by INCOTERMS 2020. Title to the Products shall transfer at such point regardless of I&M's involvement in coordination or execution of delivery of the Products to a different point. All transportation risks shall be transferred from I&M to Buyer in accordance with the EXW 12062 Cherasco (CN) Via Moglia 19 - Italy corresponding clauses of INCOTERMS 2020.

2.5 **Delivery Schedules** I&M shall use all reasonable efforts to deliver each of Buyer's orders for the Products on the date specified in the order. With the order confirmation, I&M will issue the planned delivery schedule. If I&M receives notice that the delivery date cannot be met, I&M will inform Buyer without undue delay and reschedule the order. In no event shall I&M be liable for any additional cost or penalties for Buyer associated with the delay.

2.6 **Rescheduling and Cancellations** Buyer has the right to reschedule a confirmed order for a physical product (e.g. an Electronic Control Unit) under the following conditions:

- i. The latest, confirmed delivery date is >30 days in the future
- ii. A maximum of two reschedules per order
- iii. The requested reschedule date is in the same calendar year

Buyer has the right to cancel a confirmed order for a physical product (e.g. an Electronic Control Unit) under the following conditions:

- i. The latest, confirmed delivery date is >90 days in the future
- ii. The order has not been rescheduled before
- iii. All costs sustained by I&M prior to the cancellation - in order to secure the supply, delivery date and unit pricing - will be reimbursed 100% by the customer.

Rescheduling and Cancellation policies above are enforced unless different provisions are stated in the applicable quotation leading to the order.

3. Limited Warranty

3.1 **Limited Warranty Period** The duration of the Limited Warranty, as defined below, shall begin on the date upon which title transfers from I&M to Buyer and shall extend for a period of twelve (12) months ("Limited Warranty Period").

3.2 **Limited Warranty** For Buyer's purchases of the Products, I&M provides the following limited warranty ("Limited Warranty"). I&M warrants to Buyer that standard Products (i.e. no implementation of customer specific requirements) delivered hereunder will conform to I&M's specification in effect at the time of delivery and be free of defects in material and workmanship for the Limited Warranty Period. I&M warrants to Buyer that custom Products designed according to a mutually, between I&M and Buyer agreed, written specification will conform to the mutually agreed specification in effect at the time of delivery and be free of defects in material and workmanship for the Limited Warranty Period. I&M does not warrant any defects or malfunctions resulting from a Buyer specification which is inaccurate, incomplete or does not fit system requirements. The foregoing Limited Warranty is in lieu of all other warranties, express or implied, including the warranties of merchantability and fitness for a particular purpose.

3.2.1 **Limited Warranty Conditions** This Limited Warranty is expressly conditioned upon the following ("Limited Warranty Conditions"):

- i. I&M is notified by Buyer in writing at warranty-breach@ideasandmotion.com within fifteen (15) calendar days after discovery of failure by the Products to comply with the Limited Warranty;
- ii. Buyer sends a detailed failure report to I&M;
- iii. Buyer obtains a Return Material Authorization (RMA) number from I&M prior to returning any allegedly defective Products to I&M;
- iv. the allegedly defective Products are returned to I&M suitably packaged, transportation charges prepaid by Buyer;
- v. the allegedly defective Products are received by I&M or such Affiliate for adjustment no later than sixty (60) days following the issuance of valid RMA instructions and in no event later than four (4) weeks following the last day of the Limited Warranty Period

3.2.2 **Limited Warranty Exclusions** This Limited Warranty specifically excludes any failure by or defects of the Products which have been caused by the following ("Limited Warranty Exclusions"):

- i. misuse, abuse, neglect, improper installation or application, including, but not limited to, overexposure to extreme temperatures, improper interface or interaction with other units or malfunction of any components or equipment used with the Products;
- ii. failure to follow instructions or warnings on the Product or applicable manuals;
- iii. unauthorized repair or alteration;
- iv. any other harm to or loss of the Products after the transfer of title of the Products from I&M to Buyer, including, for example, transportation of the Products.

3.3 Limited Warranty Remedy In case the analysis of the RMA by I&M confirms a breach of the Limited Warranty, I&M's liability and Buyer's sole and exclusive remedy for a breach of the Limited Warranty shall be for I&M, in its sole and reasonable discretion, to repair or replace or issue a credit for such Products. In the event that the RMA analysis does not confirm a breach of the Limited Warranty of Product or any one or more of the above Limited Warranty Conditions is not satisfied or the Products have been subjected to any of the scenarios within the Limited Warranty Exclusions, I&M shall have no liability under this Limited Warranty whatsoever. In this case Buyer shall reimburse I&M for all fees, costs and expenses incurred by the analysis and, if applicable, reimburse all cost associated with the repair and return to Buyer if Buyer requests this. This Limited Warranty extends only to Buyer and not to any subsequent purchaser or owner of the Product and Buyer shall ensure that the limitations and disclaimers of this Limited Warranty, including, specifically, the Limited Warranty Conditions and Limited Warranty Exclusions, are applicable to such subsequent purchase or owner of the Product. All claims by Buyer for damages not affecting the Product itself, such as, but not limited to, recalls, loss of use, loss of orders, loss of profits, claims by third parties or claims for indirect or consequential damages, irrespective of the legal basis for such claims, shall be excluded.

4. Limitation of Liability To the fullest extent permitted by law, the total liability of I&M to Buyer and anyone claiming by, through, or under Buyer for any claims, losses, costs, or damages whatsoever arising out of, resulting from or in any way related to these Terms from any cause or causes, including but not limited to negligence, professional errors and omissions, strict liability, breach of contract, or breach of warranty, shall not exceed the aggregate of the amounts payable to I&M for the Product affected by liability during the twelve (12) month period prior to the date the cause of action arose, unless the damages resulted from gross negligence or intentional misconduct.

I&M shall have no liability for any failure or delay due to matters beyond its reasonable control or for any allocation of products between their customers in the event of a shortage.

For the avoidance of doubt, I&M is not responsible and/or liable for components, materials and/or assembly, but will pass through any contractual component/material/assembly warranties it receives.

I&M will ensure that subcontracted companies and component suppliers for the manufacturing of the Products have sufficient insurance coverage for their delivered goods to I&M.

Buyer further acknowledges that the pricing and terms would be different if there had been a different allocation of risk.

5. Indemnification I&M shall hold Buyer from liability resulting from infringement by Products of any Italian patent or copyright issued as of the date of these Terms, provided I&M is promptly notified of any and all threats, claims and proceedings related thereto and given reasonable assistance and the opportunity to assume sole control over the defense and all negotiations for a settlement or compromise. I&M will not be responsible for any settlement it does not approve in writing. The foregoing obligation of I&M does not apply with respect to Products or portions or components:

- i. not supplied by I&M
- ii. made in whole or in part in accordance to Buyer

specifications or requests

- iii. which are modified after shipment, if the alleged infringement relates to such modification
- iv. combined, processed or used with other products, processes or materials where the alleged infringement relates to such combination, process or use
- v. where Buyer continues allegedly infringing activities after being notified thereof or after being informed of modifications that would have avoided the alleged infringement
- vi. where the infringement is incident to use of the Product but does not result primarily from the Product and its intended application.

Buyer will indemnify I&M from all damages, settlements, attorney's fees and expenses:

- i. related to a claim of infringement or misappropriation excluded from I&M's indemnity;
- ii. in connection with Buyer's activities regarding the Products or its failure to effectively pass on to its direct or indirect customers I&M's liability and warranty limitations and disclaimers.

6. Software. Any software incorporated into or provided for use in a Product is not sold, but rather is licensed solely for use in that Product. Such license is non-exclusive, non-sublicensable and does not include the right to (and Buyer will not) modify, reverse engineer (except to the extent applicable law prohibits reverse engineering restrictions), incorporate or use in any other works, create derivatives of, or copy any portion of such software, or to use the software or product for the benefit of any third party.

7. High Risk Activities Indemnity. The Products are not designed, manufactured, or intended for use in hazardous environments where the failure of the product could lead to death, personal injury, or significant physical or environmental damage ("High Risk Activities"). Use of the Products in High Risk Activities is not authorized, and Buyer shall indemnify and hold harmless I&M from any liability, damages, costs and expenses (including, without limitation, the costs and fees of attorneys and other professionals) arising from or relating to any violation of Buyer's obligations under any of these Terms or any use of the Products by Buyer or any party obtaining use or exposure to the Products through Buyer.

8. Compliance with Laws Buyer shall comply with all laws and regulations, including, but not limited to, those pertaining to export laws and restrictions and regulations of Italy, the European Union or foreign agency or authority, and not export, or allow the export or re-export of any Product (or any product incorporating such Product) in violation of any such restrictions, laws or regulations. Buyer shall obtain and bear all expenses relating to any necessary licenses and/or exemptions with respect to the export of the Products, as the case may be, of Products to any location and shall demonstrate to I&M compliance with all applicable laws and regulations prior to delivery thereof by I&M.

9. Intellectual Property I&M is the only owner of intellectual property of all parts of standard and custom Products (hardware, software, design, etc...) and shall be free to use, modify and/or sell Products (or its parts) unless agreed otherwise in writing.

10. Confidentiality In case the Parties do not have a valid Non Discloser Agreement ("NDA") in place the following terms will apply: The Parties shall maintain strict secrecy and shall not disclose to any third party (except if required to do so by law enforcement or authorised official fiscal agencies) any confidential information of the other Party including, but not limited to, pricing or pricing policy, sales, shipments,

specifications, manuals or other materials which may be issued by each Party, the Party's trade secrets and advertising and publicity material, or any other confidential information obtained by the Party pursuant to this agreement other than information which is publicly available at the time of disclosure or information which the Party can show by documentary evidence was known or obtained from a third party having the right to disclose it. The Parties shall take all steps necessary to ensure that its nominees, employees and/or agents also observe such requirements of secrecy and shall, if required, cause such nominees, employees and/or agents to enter into a confidentiality agreement in the form reasonably required by the Party. The above confidentiality obligations shall not extend to information which is already in the public domain. This confidentiality clause is applicable for the entire period of this Term and shall survive its termination for as long as the information has not entered into the public domain. An information should be considered to have entered the public domain as soon as the information is known and spread by a third party, without any fault of the Parties to this Agreement.

vi. Bank address of I&M:

BANCA ALPI MARITTIME CREDITO COOPERATIVO
CARRU' SCPA
Filiale di Alba
Piazza San Paolo 4, 12051 ALBA (CN)
Italy

IBAN: IT63B0845022500000000024949
BIC: ICRAITRRICIO

14. **Applicable Law And Jurisdiction** These Terms are governed by and construed in all respects in accordance with the laws of Italy. Any dispute that may rise during the fulfilment, interpretation and enforcement of the present Terms, including the validity, invalidity, breach or termination thereof, shall be resolved solely by the Court of Asti.

11. **Force Majeur** If a Party to this Agreement is prevented from performing its obligations due to an event of force majeure, including but not limited to pandemic, war, serious fire, flood, typhoon and earthquake, the time for execution of the Agreement shall be extended by a period equal to the duration of such event. An event of force majeure shall mean an event that the Parties could not reasonably foresee at the time of conclusion of this Agreement and which occurrence and consequences could not be avoided and/or be evaded through the exercise of due care

12. **Notices** All notices under these Terms shall be in writing, and shall be deemed given when personally delivered, when sent by confirmed fax, e-mail or three days after being sent by prepaid certified or registered mail to the address of the party to be noticed as set forth herein or such other address as such party last provided to the other by written notice. I&M address:

Ideas & Motion s.r.l.
Via Moglia 19
12062 – Cherasco (CN)
ITALY
warranty-breach@ideasandmotion.com

13. **Miscellaneous**

- i. Buyer shall not have any right or ability to assign, transfer, or sublicense any obligation or benefit under these Terms and any attempt to do so shall be void.
- ii. The failure of either party to enforce its rights under these Terms at any time for any period shall not be construed as a waiver of such rights. These Terms supersede all proposals, oral or written, all negotiations, conversations, or discussions between or among parties relating to the subject matter of these Terms and all past dealing or industry custom.
- iii. No changes, modifications, waivers or amendments are to be made to these Terms unless evidenced in writing and signed for and on behalf of both parties.
- iv. In the event that any provision of these Terms shall be determined to be illegal or unenforceable, that provision will be limited or eliminated to the minimum extent necessary so that these Terms shall otherwise remain in full force and effect and enforceable.
- v. Legal address of I&M:

Ideas & Motion s.r.l.
Via Santa Margherita 8
12051 – Alba (CN)
ITALY