

GENERAL CONDITIONS OF SALE AND INSTALLATION

1. Enforcement of the general conditions

These General Sales Conditions prevail on the General Purchase Conditions of the Buyer and shall be applied automatically to any Offer/Proforma Invoice/ Order Confirmation and/or Sales Contract issued by the Seller concerning the Products sold. Any amendment or integration to these General Sales Conditions shall be valid and enforceable between the parties only if agreed in writing and signed by a representative duly authorized by the Seller.

2. Description

Description and specifications of the Products shall be in compliance with those indicated in the Offer/Proforma Invoice and/or Order Confirmation and/or Sales Contract. Therefore, any information or data contained in any brochure, catalogue, price list or whatever promotional material of the Seller, shall be deemed as merely indicative.

3. Effectiveness

3.1 Offers and Proforma Invoices issued by the Seller in relation to the Products are valid for 60 days, except in case of any different indication in the Offer/Proforma Invoice.

3.2 When the Seller, on the basis of his Offer, receives an Order from the Buyer in written or oral form, he will issue the relevant Sales Contract / Order Confirmation or Proforma Invoice which must be countersigned by the Buyer; however, in the event that the Buyer does not sign it, the Proforma Invoice / Order Confirmation / Sales Contract will be however understood as tacitly and fully accepted if the Purchaser does not raise any objection within 10 days from its receipt.

3.3 The Offer/Proforma Invoice / Order Confirmation / Sales Contract will come into force and will be fully effective from the moment when the Buyer pays the down payment, if any, or opens the Irrevocable Documentary credit with all clauses considered acceptable by the Seller; starting from that moment the Buyer is not entitled to cancel his Order and the relative Offer/Proforma Invoice/Order Confirmation/Sales Contract, for any reason whatsoever. However, the Seller, at its discretion, may decide to accept the Buyer's request of cancellation of the Order; in this case, the Seller will have the right to withhold the down payment already paid by the Buyer, by way of reimbursement for damages and expenses incurred by the Seller, without prejudice to the right of compensation for greater damage.

3.4 Any modification or integration to an Offer/Proforma Invoice/ Order confirmation and/ or Sales Contract shall be in writing on Seller's letter head/E-Mail.

4. Delivery

4.1 The Products shall be delivered according to Incoterms ICC 2020 indicated in the Offer/Proforma Invoice/Order Confirmation and/or Sales Contract. Any risk related to the Products, regarding lost or damages to the goods, as well as any additional cost, that may arise due to events occurring after boarding/sending the goods, shall be transferred to the Buyer at the place/port of departure, specified beside the Incoterm used in the Offer/Proforma Invoice/Order Confirmation and/or Sales Contract. In case of absence of a clear indication, the delivery shall be considered EX WORKS Seller's premises.

4.2 Any delivery date or term indicated in the Offer/Proforma Invoice/Order Confirmation or Sales Contract and related to shipment and delivery of the Products shall be deemed as indicative, not binding for the Seller. It is understood that the Seller is entitled to modify the shipping date in the following cases:

- a) In case the Buyer has a delay in paying the price and does not respect what indicated in the Offer/Proforma Invoice/Order Confirmation;
- b) In case of force majeure or circumstances beyond the Seller's control, despite the Seller acting with the necessary diligence, whether such circumstances occur to the Seller or to one of his suppliers or partners.

Upon occurrence of the aforementioned hypotheses, Article 12 of these General Sales Conditions will apply.

4.3 In case no delivery date is mentioned in the Offer/Proforma Invoice/Order Confirmation/Sales Contracts, the Products shall be delivered within a reasonable time to be defined by the Seller in agreement with the Buyer.

4.4 In case the Buyer knows in advance that he is not in the position to receive the Products, he shall immediately inform the Seller about the reasons and indicate a reasonable delivery date by which he expects to be able to receive the Products.

In any such case the Buyer will be responsible for any cost related to storage of the Products as well as insurance cost and extra costs, if any, related to the postponement of the shipment of the Products.

4.5 The Ownership of the goods shall not be transferred to the Buyer as long as the Seller has not received full payment of the purchase price defined and agreed in the Offer/Proforma Invoice/Order Confirmation and/or Sales Contract. Full payment shall include payment for additional costs such as storage costs, insurance costs due to delayed delivery of the Products as well as penalties and interests due to late payments.

4.6 The Seller shall be entitled to carry out partial deliveries. In such case the Buyer shall not be entitled to object or raise any claim whatsoever.

5. Packaging

5.1 The Products shall be delivered by the Seller with a packaging suitable and appropriate for the kind of product delivered

5.2 If the Buyer requires special packaging and/or packing different from the Seller's standard method of packaging, any additional cost related to such a request shall be exclusively charged to the Buyer.

6. Invoicing and Payments

6.1 Invoices shall be issued by the Seller to the Buyer in compliance what has been established in the Offer/Proforma Invoice/Order Confirmation and/or Sales Contract.

6.2 Payments shall be made in compliance with the terms and conditions specified in the Offer/Proforma Invoice/Order Confirmations and/or Sales Contract. Payment terms must be regarded as essential. If the Buyer does not pay the price within the due term indicated in the Offer/Proforma Invoice/Order Confirmation or Sales Contract, he shall automatically be due to pay the maximum default interest, according to the provisions of the applicable law, until actual payment of the entire amount due; in addition to the above the Buyer will be required to pay a penalty equal to 0.5% of the unpaid sum, for each week of delay in payment, starting from the second week of delay.

6.3 In case of multiple Offers/Proforma Invoices/ Order Confirmations and/or Sales Contract for Products, the Seller shall be entitled to suspend the deliveries of the Products if the Buyer does not carry out the payments within the terms set forth in the Offers/Proforma Invoices/ Order Confirmations and/or Sales Contract, even one only. Furthermore, all payments received from the Buyer related to the suspended Offer/Proforma Invoice(s)/order confirmation(s) and/or Sales Contract(s) will be used to offset the missing payments or the payments partially executed for the Offer/Proforma Invoice/order confirmation(s) and/or Sales Contract.

Itema S.p.A.

Fully paid-up share capital € 30.400.000
VAT 02915320168
R.E.A. Bergamo 333513

Corporate Headquarters
Via Cav. Gianni Radici 4
24020 Colzate (BG), Italy

Italy · Switzerland · China · Hong Kong · India · Japan · USA · Türkiye

Phone +39 035 7282111
info@itemagroup.com

www.itemagroup.com



6.4 The Seller shall be entitled to suspend the delivery of the Products in case of an economical or political situation that could prevent the Buyer from fulfilling his contractual duties within the agreed terms. Such a condition could be receivership or bankruptcy of the Buyer as well as any other situation that may put the Buyer in the position not to be able to fulfill his contractual obligations.

6.5 All payments in favor of the Seller are to be made net of any bank cost, stamp duty or other type of deduction levied on the payment by the Buyer. In case the full amount is not received by the Seller, the deducted amount will be – at discretion of the Seller and on the basis of the applicable law - charged to the Buyer.

6.6 Any technical or commercial problem related to the Products and/or any delay in delivery of the Products shall not entitle the Buyer to delay or not effect the payments due to the seller.

7. Prices

7.1 The sales price for the Products is fixed and defined in the Offer/Proforma Invoice/ Order Confirmation and/or Sales Contract

7.2 Any claim or controversy shall in no case give the Buyer the right to delay or suspend or omit the payment or to reduce the sales price.

7.3 The prices indicated by the Seller in the Offer/Proforma Invoice/Order confirmation and/or Sales Contract are based on the values of wages, parts/accessories and raw materials in force at the time of conclusion of the Offer/Proforma Invoice/Order Confirmation and/or Sales Contract; should they undergo unpredictable price increases as specified also at article 4.2 b), the Seller reserves the right to change the price by applying a maximum increase of 5% of the price value.

8. Retention of Title

8.1 The Product shall remain property of the Seller until sales price has been fully paid by the Buyer and received by the Seller.

8.2 The Products shall not be alienated, sold or ceased in any way, neither delivered as a pledge or as warranty in general, nor constitute part of a property or possession by third parties for any reason or value until the transfer of the property to the Buyer has been completely carried out.

8.3 It is intended that, in case indicated in point 8.2, the Seller will keep the payment already received as penalty – without prejudice to any legal action and further damages claim.

9. Warranty

9.1 Unless otherwise indicated in the Offer and in the Proforma Invoice / Order Confirmation / Contract, the Seller guarantees its Products for a period of 24 months from the installation date provided that the installation has been carried out by the Seller's technical staff or by technicians authorized by the Seller. In any case the warranty period shall not be longer than 26 months from the date of CMR, B/L, AWB of the related Products. Wear and tear parts as well as consumables are excluded from any form of warranty.

"Consumable" parts, as an illustrative but not exhaustive example, are intended parts such as tapes, grippers, toothed wheels for tapes motion, blades for weft cutting, take-up roll and press-piece roll covering, lubrication oils, lamps, covering felt for tapes race, fuses, filters, temples and relevant rings, etc.;

9.2 The guarantee shall not apply if the breakage/malfunction is the result of the Buyer's failure to comply with the instructions provided by the Seller, including those regarding the Buyer's site where the Product will be installed, that's to say he has not correctly fulfilled the installation, the instructions for use and maintenance indicated in the product manual, with special attention to lubrication (as an illustrative but not exhaustive example the type of oil, frequency of oil change as well as quality and frequency of change of oil filters installed on the machines, etc.)

9.3 The Seller, in order to ensure the effectiveness of the guarantee, will be entitled to check the installed machines any time without notice in order to verify both working and maintenance conditions.

9.4 The Seller's warranty is limited to replacement of damaged parts at no cost for the Buyer. Replacement of parts on the machine is to be done by the technicians of the Buyer. In any case the Seller is not obliged to replace a complete machine, only parts showing to be defective.

Any intervention under warranty made by the Seller shall never mean that the warranty period is extended.

9.5 Under no circumstances can the Buyer claim for loss of production or consequential damages. The Seller shall not be liable for direct or indirect damages caused to persons, equipment or other things. Particularly, the Seller will be under no circumstances responsible if the cause of the damage is ascribable to negligence, incompetence or other causes not imputable to the quality of the Product and therefore to the Seller.

9.6 In case the Buyer operates the Products using non-original components and/or spare parts (consumables, wear and tear parts, replacement parts or spare parts and so on) the warranty on the Product becomes void with immediate effect. A non-original part is any part not produced, sold or delivered by the Seller or by the Seller's authorized agent. The warranty will become void also in case the Products are transferred to third parties by the Buyer, unless there is a written authorization by the Seller.

9.7 In any case all import duties, clearance costs, taxes, all other expenses and fees related to the import of products, imposed by the Authorities of the Country where the Products and/or parts are delivered, shall be at the Buyer's charge.

9.8 The Seller expressly declares that, with reference to technology parts that the Seller purchases directly from third parties (shedding mechanisms, weft feeders, heald frames, heald wires, drop wires, warp stop motion, weft stop motion, external batching units and other such parts) the technical specifications and warranty conditions are exclusively those provided by the Manufacturer of the related parts. The Buyer, therefore, expressly agrees that the full legal liability for these parts shall be in the hands of the Manufacturer of the related parts. The Buyer waives any claim or action against the Seller regarding these technology parts.

9.9 The Products are suitable to work according to the specifications and instructions given by the Seller. Particularly, as far as the electric and electronic components are concerned, no warranty whatsoever will be granted in the following cases:

- the supply voltage does not correspond to the nominal supply voltage of the machine
- the cause of the damages is ascribable to supply voltage sudden changes beyond the foreseen range (+/- 10% of nominal voltage)
- the cause of the damages is ascribable to an improper grounding of the machines
- the cause of the damages is ascribable to atmospheric discharges, flooding, fire or force majeure

9.10 The products are suitable to operate (mechanically as well as electronically) in a range of temperature between 10°C up to 45°C, humidity conditions between 50% to 95% relative humidity and a normal level of dust and lint. Operating the Products beyond these conditions or operating the Products in the absence of a proper dust and dirt removal system renders the warranty null and void.

9.11 Any possible declaration provided by the Seller in relation with the performances of the Product is strictly linked with a series of factors such as, as an illustrative but not exhaustive example: the quality of the yarn being used, the quality of the warp beam preparation, the skill of the operators as well as technicians and other conditions known in

the weaving industry. It is understood that above mentioned declarations, when provided by the Seller, must be considered merely indicative and, as a consequence, the Seller shall not be held responsible for any alleged poor performance or complained lower quality of produced fabric.

9.12 Above mentioned warranty (and any warranty in general) is expressly disclaimed on any part added/integrated by the Buyer as well as any part subject to retrofit or technical modification with the purpose, among others, to apply specific components for the label production.

As an illustrative but not exhaustive example, the electronic parts of the machine are excluded from the warranty in case the machine has been retrofitted or subject to modifications involving the application of specific parts by your company.

Generally speaking, in case the Seller, at his discretion and according to his own analysis, believes that the modifications carried out by the Buyer have affected or could reasonably affect the machine running, the said warranty could be disclaimed on any part of the machine sold or on the machine as a whole.

9.13 It is understood that the violation of the above indicated prescriptions, even one only, as well as of the procedure to be followed in case of claims as per following article, will involve the immediate cancellation of any warranty whatsoever as well as of any obligation of the Seller as indicated in the present conditions.

10. Claims

10.1 The Buyer shall inspect the Products immediately upon delivery at his premises. Particularly the Buyer should verify the conditions of the packing and the numerical compliance indicated in the packing list or in the transport document. In case one packing is missing or damaged, he should immediately write a note in the CMR or any the transport document, and this document should be countersigned by the shipper. By no means is the Buyer allowed to postpone this verification

10.2 Any possible defect shall be communicated by email by the Buyer to the Seller (Quality Manager office, address quality@itemagroup.com) within 8 (eight) days from the date of arrival of the Product at the Buyer's premises, after this time no claim shall be accepted. In any case, as far as latent defects are concerned, the claim shall be submitted in writing within and not later than 8 (eight) days from the date when the defect itself has been found.

10.3 The Buyer shall in his claim describe in detail the number and type of the eventual missing Products and /or the nature of eventual defects as well as include the relevant supporting photographic evidence, in addition to the documentation accompanying the shipment, as obvious. In case the Buyer fails to file his claim within the time frame mentioned above, the Products will be considered as accepted by the Buyer and he declares to waive any claim.

The Buyer shall in his claim demonstrate the correct storage as well as the correct installation and use of the Product, in case the Product has been already installed. Any wrongful handling and storage of the Product will make the Sellers liability void.

Furthermore, the Buyer will have to put a label and keep the parts claimed as damaged at Seller's disposal; the serial number of the product and the date of replacement will have to be indicated on the label.

10.4 The Seller undertakes to make the proper check of any of the Buyer's claims. In case the Seller accepts the Buyer's claim, the Seller undertakes to make any intervention deemed necessary to settle such issue. In case the Seller can't accept the Buyer claim, the Seller will inform the Buyer in writing explaining the motivation for such refusal of claim. Furthermore, the Seller is entitled to check the machines installed any time and without any notice, in order to check both the working and the maintenance conditions.

10.5 The Seller shall not be liable for damages, malfunctioning and anything else that could occur as a consequence of the use of the Products in combination with additional components – as an illustrative but not exhaustive example: machineries / equipment / accessories - not compatible with the technical specifications provided by the Seller. It is understood that, if the compatibility between its own weaving machine and a specific additional component supplied to the Buyer by a third producer is not expressly confirmed by the Seller in the Offer/Proforma Invoice/Order Confirmation or Sales Contract, the said compatibility will have to be checked by the Buyer at his charge.

The content of this subparagraph shall be considered prevalent in case of difformity with what indicated in the Offer/Proforma Invoice/Order Confirmation or Sales Contract.

10.6 In case the Buyer has filed a claim based on a false or incorrect reason, the Seller shall be entitled to claim compensation for all cost occurred to conduct the analysis of the false claim.

11. Product Liability

11.1 The Seller shall not be liable for any damage, direct or indirect, caused by the Buyer, to third Parties and/or to things and/or to persons, resulting from of use of the Products. As illustrative but not exhaustive examples, such damages could be: lack of production or bad quality fabric, lack of profitability, damages to the infrastructure, to persons, production stops in the plants and any other such cases. For any such damage, The Buyer shall indemnify the Seller and deem the Seller not liable.

11.2 If a third party brings forth a claim towards one of the Parties, the said Party must notify the other one in writing.

11.3 The Seller is not deemed liable for damages to things and persons and/or malfunctioning related to use of the Products if the Buyer, while using the Products, has not observed the Seller indications related to transport (according to the agreements), installation of Products, start up of the Products, maintenance, ambient conditions and general practices known to the weaving industry.

11.4 It is understood that any limitation of liability contained in these Conditions must be intended effective except in cases of willful misconduct or gross negligence of Seller.

12. Act of God

12.1 The Seller shall not be liable for the delay in the delivery of the Products or for any breach of contract if caused directly or indirectly by:

- Act of God (such events include but are not limited to circumstances of government rules, war, rebellion, revolution, strike or other labor disputes, fire, flood, sabotage, nuclear accident, earthquake, hurricane, storm, and pandemic or epidemic conditions);

- Circumstances beyond the Seller's control, which include labor force shortage, material and parts shortage. Further the Seller shall not be liable for any delay in the delivery of the Products in case of shortage in equipment, energy, lack of means of transportation, lack of authorizations, prohibitions resulting from governmental regulations, changes in national, European or United States of America legislation, including the adoption of restrictive measures or international economic sanctions.

12.2 The Seller shall promptly inform the Buyer in writing as soon as any Act of God condition or circumstances beyond the Seller's control have ceased to occur.

12.3 With the exception of the provisions of articles 4.2, 7.3 and 20.3 of these General Conditions, the Offer/Proforma Invoice/Order Confirmation/Sales Contract will in any case be considered valid and in force and at the end of Act of God condition/circumstances beyond the Seller's control, each party is due to fulfill its obligations; in the event that this Act of God condition/circumstances beyond the Seller's control last for more than 6 months, the Seller may decide to cancel the Offer/Proforma Invoice/Order Confirmation or Sales Contract without being responsible for any damage/costs suffered and borne by the Buyer.

13. Intellectual Property

13.1 All information, technical standards, technical specifications and procedures provided by the Seller are exclusive property of the Seller. No brand, license or patent utilization or other Industrial or Intellectual Property rights, related to the technical specifications provided and to the know-how provided is granted to the Buyer.

13.2 The Buyer shall not use the name, the trademark and other rights related to the Intellectual Property in advertising activities without previous consent in writing by the Seller.

14. Confidentiality

The Buyer and the Seller agree that each Party may disclose to the other Party confidential information related to its own activity. The parties agree to keep such information confidential and agree not to disclose such confidential information to third Parties. The use of such confidential information is allowed only for the purposes related to the purchase of Products. Upon request by the other Party any document received, holding confidential information, will be returned.

15. Installation and start up

15.1 The cost of installation and start up of the weaving machines is calculated based on the Seller's actual hourly rate for normal working hours (week working days, 8 hours per day). Any over time, weekend work or work on public holidays (in the country of origin of the technician) will result in an extra cost to be added to the cost of installation. The Offer/Proforma Invoice/Order confirmation or the Sales Contract stipulates whether the cost of installation and start up is or is not included and indicates the related fees. Further the Buyer will pay for the return (air or road) travel cost to the Buyer's location, unless otherwise agreed in the Offer/Proforma Invoice/Order confirmation and/or in the Sales Contract.

15.2 The Buyer shall bear the cost of board and lodging of the Seller's personnel involved in the installation and start-up except differently indicated in the Offer/Proforma Invoice/Order Confirmation/Sales Contract. The Buyer shall provide European standard food and suitable accommodations comparable with a 3-star European quality level. In certain cases, this can be replaced by an agreement between Buyer and Seller with obligation for the Buyer to pay a suitable daily allowance to the Seller's personnel for each day from leaving the Seller's premises till date of leaving the Buyer's premises

Such daily allowance agreement, with the exact amount of the allowance, is to be stipulated in the Offer/Proforma Invoice/Order confirmation or in the Sales Contract

15.3 The Buyer shall in all cases bear the cost of all local transportation for the Seller's technicians. This means that the Buyer shall organize and pay for the transportation from the arrival airport to his factory location, all daily transportations to the factory and back to the hotel and at the end of the installation, the transportation back to the departure airport. In case the Buyer is not fulfilling this obligation, the Seller may decide to call back his personnel and not to complete the activities. In such case the Buyer will have to pay all charges a second time, including the travel cost, when conditions are such that the installation can resume according to Seller's decision. In case the Seller's personnel has to stay the night in an airport hotel, the conditions of 15.2 will apply

15.4 The Seller shall have the right to send to the premises of the Buyer the technician or freelance technician that he considers suitable to carry out the installation and start up of the delivered Machinery. The Buyer shall not raise any objection to this regard and shall accept the installation personnel selected by the Seller.

15.5 The Buyer undertakes to insure Seller's technicians while working in the Buyer's premises. Furthermore, the Buyer shall provide all the required assistance and medical care in the case of injury or illness of the Seller's technician. This will include repatriation or return of the Technician to his place of residence.

15.6 The Buyer undertakes to relieve the Seller's technicians from any responsibility for accidents towards any third party/Buyer during the activity carried out by the Seller's technicians in the Buyer's premises.

15.7 The installation and the start up of each single Machine is a 3-step process: Installation of the machine, Start up of the machine and Final acceptance test of the machine. The process of installation shall start in a reasonable time according to the Seller's decisions. In case the Offer/Proforma invoice/order Confirmation/Sales Contract declares that an acceptance certificate is to be established, the definition of such an acceptance certificate and conditions of the related acceptance procedure have to be clearly defined in the Offer/Proforma Invoice/Order confirmation or in the Sales Contract. This acceptance shall be deemed however completed although the Buyer, within 4 months from the date of delivery of the Product, has not completed the acceptance procedure for reasons beyond the Seller's control. If the Buyer refuses to carry out the acceptance procedure without sound reason or refuses to sign acceptance certificate without sound reason, the Seller will deem the acceptance to be completed and final.

15.8 The Seller's technician shall be bound to use only and exclusively original spare parts manufactured and delivered by the Seller or by the Seller's authorized representatives.

15.9 In case the Seller's technician notices the presence of non-original spare parts, he shall immediately inform both the Buyer and the Seller in writing, informing in detail on the non-original part. The report shall be sent at once to the Seller and to the Buyer.

15.10 After sending the report, the technician shall wait for the Seller's decisions on continuation of installation and start up as well as on the repercussions for the warranty on the machinery.

15.11 Before the Seller can plan or start any installation work, the Buyer has to confirm to the Seller that the product has been unpacked, placed on the floor, levelled, connected to power, complete with auxiliary equipment, such as Jacquard and Jacquard Gantry installed, if any, and that the factory has enough electrical power to allow the start up of the Product. Otherwise, the Seller has the right to refuse the installation of the Machines.

16 Regulations valid in the country where the Product is to be installed

Before signing the Offer/Proforma Invoice/Order confirmation and/ or Sales Contract the Buyer has to make the Seller aware of any special requirements related to safety and any other regulations related to installation and operation of the Product. Safety devices shall be supplied as indicated by the Buyer.

Any other safety devices deemed necessary after the signature of acceptance of the Offer/Proforma Invoice/Order Confirmation and/or Sales Contract, shall be delivered only if the Buyer agrees to pay AN extra PRICE for these products, not listed in the Offer/Proforma Invoice/Order Confirmation/Sales Contract, as well as for their installation.

17. Final configuration of Product(s)

The configuration of the products sold and confirmed in the Offer/Proforma Invoice/Order confirmation and/or Sales Contract is final. The Seller is not obliged to accept modifications to the configuration of Product(s) sold. However, the Seller may consider accepting minor changes to the configuration provided the changes are communicated in writing to the Seller at least 10 weeks before the scheduled delivery time. After that date any change to the configuration of Product(s) sold becomes impossible. In all cases any additional cost resulting from the change in configuration will have to be borne by the Buyer.

18. Safety and D. Lgs. 231/2001

18.1 The Buyer is fully aware of the attention given by Itema to safety and to labor and environmental laws in force. To this purpose, and with specific reference to start up phase (independently from the subject who will carry it out) - The Buyer undertakes to enforce all appropriate measures to prevent, eliminate and in any case limit the environmental impact and the risks for the involved personnel (for safety and labor rights). To this regard, whenever necessary and except for the case of installation made at his own care, the Buyer is available to accept and fill in the related documentation provided by Itema or by the technician in charge for the job. The Buyer - except for the case of installation made at his own care - undertakes to provide all information needed in order to protect health and safety of the personnel who has to intervene at the Buyer's site for installation and startup / maintenance of the machines. This information includes, among others, the prevention and protection measures adopted as well as emergency measures. Before starting work, the Buyer will have to indicate the reference people in order to: - Define the safety measures to reduce interference risks- Any possible need that could arise during the intervention. The Buyer also agrees to provide adequate safety levels in his own plants and to report any anomalous situation that could lead to a

reduction in health and safety conditions during activities. The exchange of information, as well as activities of cooperation and coordination, are documented by the subscription of the proper minutes (PAS 08/01). Furthermore, the document PAS 08/02 is attached for your convenience.

18.2 The Buyer declares to be aware of the principles and rules imposed by Legislative Decree 231/2001, which regulates the "Discipline of the administrative liability of legal persons, companies and associations, including those without legal personality", observed by the Seller also through the adoption of a Code of Ethics, containing the principles and rules of its own business, and an organization, management and control model, containing the rules adopted to prevent the commission of the offenses stated in the said Decree.

The Purchaser also declares to respect, in general, the rules contained in Legislative Decree 231/2001 and undertakes to refrain from any conduct contrary to it. The commission of offenses provided for in the aforementioned Legislative Decree no. 231 8th June 2001 will constitute a serious breach and will give the Seller the right to cancel the Offer / Proforma Invoice / Order Confirmation or terminate the sales contract with immediate effect and by simple written communication, without prejudice to compensation for any damage caused.

19. Privacy Law

Personal data will be processed by the Seller in accordance with EU Regulation no. 679/2016 as well as with Legislative Decree 10th August 2018, n. 101, containing the provisions for regulatory compliance of national legislation with the principles of the aforementioned European Regulation. To this purpose, the Privacy Policy of Itema SpA is attached.

20. Compliance with export control and international economic sanctions

20.1 Buyer acknowledges and agrees that the export, sale or transfer of the Products procured from the Seller to certain persons and/or entities or to certain destinations/end users may be subject to restrictive measures or prohibitions under European Union (EU), Italian, United States of America (USA), United Kingdom (UK) and/or United Nations laws and regulations on export control and/or international economic sanctions (i.e. the "Trade Compliance Norms") and to such effect the Buyer shall adopt all necessary measures to ensure full compliance thereof. Buyer agrees in particular to export, resell or transfer, directly or indirectly, the Products to customers not included in any list of natural or legal person, entity or body subject to restrictive measures by the Trade Compliance Norms nor owned or controlled by any such person or entity, or for uses prohibited by the Trade Compliance Norms ("Designated Party" and, collectively, "Designated Parties").

20.2 Buyer undertakes to ensure that any contract for resale of the Products contains restrictions and obligations identical to those provided for in this Article. Pursuant to article 1456 of the Italian Civil Code, should the Buyer fail to comply with the obligations set forth in this Article, the Seller shall have the right to cancel the Offer/Proforma Invoice/Order Confirmation or Sales Contract issued in favor of the Buyer with immediate effect upon providing written notice to the Buyer, without prejudice of any claim for damages to which the Seller might be entitled. The Buyer further undertakes to indemnify and hold the Seller harmless against any and all liabilities that may arise from the violation of the applicable Trade Compliance Norms in respect to the Products and any sale or transfer thereof to sub-purchasers/end-users, including but not limited to the unlawful diversion of use of the Products and/or to the use of the Products resulting in making economic resources available to any Designated Parties.

20.3 Should the Seller's performance be prevented or made unreasonably difficult or uneconomic by any change in the Trade Compliance Norms or in respect to their interpretation by any court or competent regulatory authority or due to any other event outside the control of the Seller because of Trade Compliance Norms, the Seller shall notify in writing and consult the Buyer in good faith to ensure the regular execution of the transaction. During the consultation the parties shall be excused performance of their obligations since the date of the notification by the Seller. Should the Seller's obligations: (i) result invalid or unlawful after the consultation, the sale contract shall be terminated without any Buyer's right to compensation or similar relief; (ii) become impossible or uneconomic, the execution of the contract shall be suspended since the date of the notification until the relevant trigger event terminates, while the Parties shall use all reasonable endeavors to minimize any delay or prejudice from such suspension.

20bis No exportation clause

20.1bis The Buyer covenants, represents and warrants that the Products supplied from the Seller will not be sold, supplied, transferred or exported, directly or indirectly (including by means of representatives, agents, distributors or any third parties), to any natural or legal person, entity or body in the Russian Federation and/or Belarus and/or re-exported for use in the Russian Federation and/or Belarus, or transferred for intended final use in the territory of the Russian Federation and/or Belarus.

20.2bis The Buyer covenants to ensure that a similar provision is inserted in all its contracts with third parties having as their object the Products and undertakes to promptly notify the Seller all such contracts as well as all breaches of the above covenants, representations, and warranties. The Buyer acknowledges that the Seller is under a duty to notify the Italian authorities any breach of the above covenants, representations, and warranties.

20.3bis In case of breach of any of the above covenants, representations and warranties by Buyer at any time, the Seller shall be entitled to terminate the sale contract and all other pending sale contracts executed between the Seller and the Buyer pursuant to article 1456 of the Italian Civil Code by written notice, without prejudice to its right to: (i) immediately receive all the consideration, irrespective of any contractual delayed payment provision; (ii) claim damages as a consequence thereof; (iii) any legal actions. The Buyer shall indemnify and hold harmless the Seller against any liability, losses, damages (including reputational damages) or costs (including any legal costs) incurred or suffered by the Seller as a result of any such breach.

21. Applicable law and Jurisdiction

21.1 These General Sales Conditions and the related Offer/Proforma Invoice/Order confirmation or Sales Contracts are governed by the Italian Law. Any dispute concerning the application and interpretation of the present document shall be referred to the exclusive jurisdiction of the Court of Bergamo, Italy, or, at the discretion of the Seller, the Court of the Buyer.

21.2 These General Conditions are governed in Italian language notwithstanding any translation in a different language. In case of discrepancies between the Italian and the translated version, the Italian version shall prevail and the Italian version is the only official version to be used to interpret these present General Conditions.

21.3 The application of the United Nations Convention on Contracts for the International Sales of Goods (CISG -1980, Vienna) is expressly excluded.

The Buyer

In compliance with articles 1341 and 1342 of the Italian Civil Code, the Buyer specifically approves the following clauses: 1 Enforcement of the general conditions, 3 Effectiveness, 4 Delivery, 6 Invoicing and Payments, 7 Prices, 9 Warranty, 10 Claims, 11 Product Liability, 12 Act of God, 13 Intellectual Property, 15 Installation and start-up, 18 Safety and D. Lgs. 231/2001, 19 Privacy Law, 20. Compliance with export control and international economic sanctions 20bis No exportation clause, 21 Applicable Law and Jurisdiction.

The Buyer