

## GENERAL SUPPLY TERMS AND CONDITIONS

**1 SCOPE.** These General Supply Terms and Conditions (the "Terms") constitute an integrated part of any contract (the "Contract") in whatever form executed, including the possibility of establishing an agreement via confirmation order, with the goal of supplying goods and/or services (the "goods supplied") from Advanced Techne S.r.l., Priatherm Division (the "Supplier") to a customer (the "Customer"). The Supplier and the Customer will hereafter be referred to collectively as the "Parties" and singularly as "Party."

Any other general terms and conditions supplied by the Customer (and/or other contractual agreements proposed by the same) will not be applicable unless expressly approved by the Supplier in writing with a declaration by the same renouncing the present Terms and Conditions.

Each contract, as integrated by the present Terms, supersedes all previous agreements, written or verbal, reached by the Parties.

In cases of conflict between the present Terms and other provisions of the Contract, the latter shall prevail.

Where the Customer intends to purchase the goods by leasing and consequently the Supplier signs a sales contract with a leasing company, the provision of related goods is governed by these Terms, and the Supplier retains ownership. If the Customer's rights derived from the Contract conflict with those from the Terms, the Terms' provisions will prevail over the provisions of the leasing contract in case of conflict.

**2 CONTRACT VALIDITY.** The Supplier considers the Contract valid: (I) once it has been counter-signed by the Supplier indicating acceptance (if necessary, by sending an order confirmation), or (II) in the absence of the afore-mentioned acceptance, at the moment of delivery from the Supplier to the Customer.

Where the Customer is obligated to advance payment or open Letters of Credit or issue surety/ guarantees before Supplier executes the Contract, the Supplier's obligations remain suspended until the Customer fulfills these obligations, with Supplier reserving the power to terminate the Contract for reasons of default on Customer's stated contractual obligations.

**3 OBJECT.** The object of the Contract is exclusively the sale, from the Supplier to the Customer, as expressly indicated therein, conforming to the technical and/or contractual specifications of all documentation constituting part of the Contract. Any good and/or service for which the Supplier has not assumed an express obligation in the Contract shall be considered outside the object of Contract (even where not included in the possible list of elements excluded from the scope of the goods supplied).

**4 PRICE, FEES AND TAXES.** The agreed-upon prices – which should be considered net prices including value-added tax or sales tax – are intended to be fixed and invariable, provided the Customer's obligations outlined in Article 2 of these Terms are not executed late. The Customer is responsible for paying all taxes, shipping costs, banking expenses, duties, fees, and costs related to import licensing and obligations (including any administrative obligations), both present and future (including, for example, any tax in the Customer's country related to registration of the Contract).

**5 METHOD OF PAYMENT.** If not provided for differently in the Contract, payment will be effectuated at 20% of the total price at the time the Contract is signed, with the remaining 80% paid upon notice that the merchandise is ready for shipping, against presentation of shipping documents.

Payment is to be made via bank transfer to the bank designated by the Supplier, with the understanding that each payment will be considered effectuated only when it is definitively accredited to the account.

The Supplier will get in touch 10 days before the date provided for the shipment of the Supply to allow the Customer to fulfill any remaining delivery and payment duties. Unjustified late payment will give the Supplier the right to charge passive interest (at a rate equal to Euribor at six months calculated at the date of the deadline) for the late payment, without prejudicing any other right entitled to the Supplier.

The Parties understand that in the event of a missed payment under the established terms, even in a single installment, the Supplier will have the power declare that the Customer has forfeited the benefit of the terms and may demand payment immediately for the remaining balance/ amount due.

**6 SUSPENSION AND TERMINATION OF THE CONTRACT.** A dispute on the merits regarding execution of the contract does not give the Customer the right to suspend or delay payment.

The Supplier has the power to suspend execution and/or terminate the Contract, effective immediately, merely by communicating the same, if:

- the Customer does not regularly fulfill its obligations of payment of price provided for in the Contract;

- the Customer is subject to bankruptcy proceedings or other substantial changes in its financial situation that could jeopardize its payment of consideration;

- the Customer is not compliant with one or more of its obligations established in article 4, 5, 7, 9, 11, 12, 13, and/or 19 of these Terms.

In the case of suspension or dissolution of the contract, the Supplier has the power to keep as a penalty all sums previously paid by the Customer, and maintains the option to seek recovery of additional damages.

The Supplier may install on its machines and/or other furnished goods software systems that prevent the supplied goods from functioning in case the Customer does not regularly fulfill its payment obligations.

**7 DELIVERY TERMS, RETENTION OF TITLE.** The Terms of Delivery take effect from the date Customer performs the financial obligations provided for in article 2 of these Terms. Where the contract provides for the Customer to make available to the Supplier any elements necessary for the execution of Contract, if the Customer is late in performing these or any other contractual obligations, the Supplier has the power to extend the terms of delivery for a period of time in any case not less than the duration of the Customer's delay, without prejudicing any of the Supplier's other rights.

If the goods cannot be delivered due to cause(s) independent of the Supplier, after 15 days' notice of ready merchandise, the Supplier has the power to proceed with issuing the invoice and giving effect to the agreed upon conditions of payment, depositing the goods in general stores or with a forwarding agent, with the risks and expenses borne entirely by the Customer.

Where payment shall be effectuated in whole or in part after delivery, the delivered goods, including those secured to the ground, remain the property of the Supplier until payment is fully effectuated (except in cases where the Supplier renounces/ gives up this right).

**8 MODIFICATIONS.** If the Customer requests modifications or additions to the goods that are the object of the Contract, the changes will only be considered accepted from the Supplier if confirmed in writing.

The Customer expressly recognizes that the Supplier has the power in the course of executing the Contract to produce any modification that the Supplier considers necessary, due to local conditions or advantages, that constitutes a technical improvement and/or intervention by merely advising the Customer before executing the modification.

**9 PRODUCT TESTING PRIOR TO SHIPMENT.** Where the Contract provides for testing the goods before shipment (a "Factory Acceptance Test," or FAT) the Customer shall make available any materials necessary as provided for in the Contract.

If the presence of the Customer is provided for at the execution of the FAT, the Supplier will inform the Customer of the date 10 days in advance. If the Customer or a delegate of the Customer is not present on that date, the Supplier will execute the FAT and provide certification thereof.

**10 YIELD AND PACKAGING.** All risk will transfer to the Customer in conformance with the Incoterm 2010 rules agreed upon by the parties.

In the absence of different contractual agreements, the yield will be effectuated EXW for supplies destined for Italian Customers and FCA for supplies destined for Customers abroad.

The supply will be equipped with suitable packaging according to the relevant mode of transport, but is intended only for merchandise in storage/ transport for up to 60 days.

**11 WARRANTY.** In the case of potential defects and/or unsuitability of the supplied goods, the applicable warranty – excluding any other legal guarantee or agreement – applies to defects in materials, design, and/or assembly of the supplied goods. The warranty consists, at the discretion of the Supplier, of repair or replacement, at the Supplier's expense, of any broken or defective parts due to defect at origin, but does not extend to normal wear and tear. The above warranty shall last 12 months from the date the supplied goods are put into service, but shall not exceed 15 months from the shipping date.

The warranty does not apply to, and excludes responsibility on the part of the Supplier for, damage of any nature caused by: improper operation by the Customer or its personnel; use of inadequate materials, or faulty or careless treatment; installation of equipment or replacement parts not furnished by the Supplier; assembly or running of the supplied goods that is not conducted according to the instructions issued by the Supplier's technical staff; improper or excessive use, poor maintenance, and/or conduct departing from that provided for in the instructions for maintenance and use; any other reason not attributable to the Supplier.

The Customer must, by penalty of forfeiture, communicate the complaint of defect or absence of quality to the Supplier within 8 days from the discovery, and must provide a written request to effectuate a warranty intervention.

The warranty excludes all other damages, including those resulting from lost or reduced production; direct, indirect, and consequential damages; and termination of the Contract.



## 12 SUPPLIER RESPONSIBILITY.

The Supplier's responsibilities are limited to those expressly provided for in the Contract. In the case of non-performance or violation on the part of the Supplier, the remedies available to the Customer are solely those expressly provided for in the contract and in the present Terms. The Supplier's liability shall not exceed 5% of the contract price, which determines in advance the maximum compensation due, provided the Customer fully proves it suffered damages due to non-performance. Supplier is not in any way responsible for any other damages or remedy, including damages stemming from absence of or reduction in production, loss of chance, missed or reduced profit, loss of contracts, loss or reduction of use in general, and indirect and/or consequential damages.

**13 FORCE MAJEURE.** Force Majeure is understood to mean any unforeseeable act or event beyond the will of the Supplier, outside its control and defying any preventive measures (including but not limited to tumult, riot, fire, sabotage, explosion, natural disaster, government measures, strike, embargo, impossibility to obtain supplies).

In the event of force majeure, any obligations that cannot be fulfilled as a result are automatically extended, without penalty charged, for a period corresponding to the duration of the force majeure, ruling out any recoverable damages (therein comprising any penalties) otherwise owed by the Supplier.

**14 CONFIDENTIALITY, INDUSTRIAL PROPERTY RIGHTS.** The Customer is obliged to observe the utmost confidentiality regarding all information of a technical nature (including but not limited to designs, programs, documentation, formulas, recipes, settings, and correspondence) received from the Supplier or otherwise learned or acquired in execution of the Contract.

All industrial and intellectual property rights relating to the machinery and other elements that comprise the supplied goods under the Contract remain the exclusive property of the Supplier.

**15 PROHIBITION OF ASSIGNMENT OF THE CONTRACT OR RECEIVABLES.** The Contract cannot be assigned unless consented to in writing by both the Customer and the Supplier.

The Supplier however retains the right to assign to third parties in whole or in part any credit in relation to the payment of the sum owed by the Customer under the terms of the Contract, without requiring the Customer's consent. For notification of the above transfer, if required to guarantee full payment by the Customer, a simple written communication to the Customer will suffice. In the case of assignment, the Supplier has the right to transfer in whole or in part to the assignee the rights reserved in the property provided before in article 7 of these Terms.

**16 THIRD-PARTY RIGHTS, SEVERABILITY.** The Customer shall indemnify and release from any liability the Supplier for all claims and third-party actions, and from any related damages or loss with respect to any patent infringement or other violations as a result of production, use, and/or commercialization of the products constituting the supplied goods covered by the Contract between the Parties.

It is moreover the Customer's exclusive obligation to guarantee that the products produced with the machines and/or goods and/or services furnished by the Supplier comply with any safety standards and regulations; the Customer remains solely responsible for any claim of potential damages, releasing the Supplier from liability for the same.

If one or more provisions of the present Terms or of the individual Contracts relating to the supplied goods prove to be invalid, the Terms and/or afore-mentioned Contract will remain valid in their entirety, and the Parties will substitute in good faith any invalid or ineffective provisions with agreed-upon contents that are equivalent or as similar as possible.

**17 JURISDICTION, APPLICABLE LAW AND ARBITRATION CLAUSE.** Any controversy or dispute that could arise in relation to the execution, resolution, and/or interpretation of the Contract and/or the present Terms

(a) in the case of Contracts executed with Customers registered in Italy, jurisdiction will reside exclusively with the Bologna courts

(b) in the case of Contracts executed with Customers registered outside Italy, disputes will be resolved definitively and exclusively according to the Rules of Arbitration of the International Chamber of Commerce (ICC), by a panel of three arbiters nominated according to the ICC Rules of Arbitration. In that case, the arbitration will take place in Geneva and the official language of the proceedings will be the language utilized in the Contract.

As a partial exception to the preceding sub-sections (a) and (b), the Supplier retains the right to act in the judicial forum in which it is registered, or before the courts of the location in which the Customer is registered, or any other forum competent to hear disputes with the Customer, for precautionary and/or urgent measures (including but not limited to actions for return to the Supplier of goods sold under retention of title) for judgment on the merits, provided, however that the Customer has not previously applied for arbitration.

The present Contract is governed by Italian law (with consequent application of the Vienna Convention of 11 April 1980 on Contracts for the International Sale of Goods, to the extent that it does not derogate from the provisions of the present Contract).

Pursuant to and for the purposes of articles 1341 and 1342 of the Italian Civil Code, the Customer declares that it accepts the above terms and in particular the following articles:

1 (scope), 2 (contract formation), 4 (price, fees and taxes), 5 (method of payment), 6 (suspension and dissolution of the contract), 7 (terms of delivery, retention of title), 8 (modifications), 14 (warranty), 15 (Supplier's responsibility), 16 (force majeure), 18 (prohibition of assignment of contracts and receivables), 19 (third-party rights and partial invalidity) e 20 (jurisdiction, arbitration clause, and applicable law).