

GENERAL TERMS AND CONDITIONS OF SALE OF TS S.R.L. (“Conditions”)

- 1. Subject-matter.** **A.** TS S.r.l. (“TS”) *(i)* manufactures and sells accessories for window fixtures, including, for example, pile weatherstripping, sunshade blades, mosquito net components, and wood sector gaskets (“Accessories”), *(ii)* manufactures and sells CE-compliant automatic machines for processing in the production of mosquito nets (“Machine/s”), Accessories and Machines are collectively referred to as “Products”, and *(iii)* carries out third-party services for the cutting of plastic films and other materials provided by the customer (“Services”). **B.** Notwithstanding any other provision to the contrary, even though provided for in any possible general terms and conditions of the customer, these Conditions, as well as any other special conditions agreed upon between the parties (“Special Conditions”), including those contained in the offer sent by TS to confirm the customer’s order (“Offer”), form an integral part of all the contracts for the sale of Products and the provision of Services (“Contracts” or, in the singular “Contract”). **C.** Any Offer, order confirmation, Contract, delivery of Products, and provision of Services that takes place between TS and the customer shall be governed by these Conditions, unless otherwise stated in writing by TS. **D.** If there is any inconsistency between these Conditions and any Special Conditions, the latter shall prevail.
- 2. Customer’s general commitment.** **A.** By placing an order, the buyer declares to possess the know-how, competence, and experience required for the professional use of the Products and, therefore, he undertakes, under its sole responsibility, to carefully assess, at the time of purchase and in any case before use, that the Products are suitable for the purpose for which they are purchased and that the site intended to host the Machine is appropriate according to the applicable technical regulations. **B.** In view of the Service to be carried out, the customer will send to TS only the materials agreed upon in the Contract; the customer is responsible for any non-compliance of the materials sent.
- 3. Conclusion of the Contract.** **A.** TS may, in its sole discretion, accept or reject any order. **B.** The Contract shall be deemed to be entered into at the moment in which the customer becomes aware of TS’s acceptance of through an order confirmation, or in the absence of said occurrence, at the time of delivery of Products to the buyer or at the time of the provision of Services. **C.** Any possible cancellations of or modifications to any order by the customer s have no effect unless previously authorized in writing by TS or otherwise accepted by TS. **D.** The execution of the Contract shall be deemed to have taken place at TS’s headquarters in Modena, Via Livingstone 21/A, Italy. **E.** In case of an unforeseen increase in the purchase prices of raw materials and components of the Products exceeding 2% (two percent), TS is entitled *(i)* up to the receipt of the order, to withdraw the Offer or otherwise cancel the supply, proposing new supply conditions, and *(ii)* after the order confirmation has been sent, to propose a proportional increase in the sale price, provided that the customer, within ten days of receiving the proposal, has the right to refuse; the Contract will then be deemed to have been consensually terminated without any charge to either party.
- 4. Terms and methods of delivery of the Products.** **A.** All dates of delivery of Products and provision of Services that may be proposed by the customer and/or communicated by TS shall be deemed indicative only and not essential for the purpose of the conclusion of the Contract, provided that TS undertakes to use all reasonable endeavours in order to ensure timely delivery. **B.** TS shall have no liability in the event of delay in delivery, nor do such delay entitles the customer to cancel the order or claim compensation for damages of any nature whatsoever, as the Contract shall be deemed to have been concluded as provided hereinabove. **C.** Unless otherwise agreed in writing by the Parties, TS shall deliver the Products according to the delivery term specified in the order confirmation either FCA - Free Carrier, at its premises in Via Livingstone 21/A, Modena (41123), Italy, or DAP - Delivered at Place at the location specified in the order confirmation (Incoterms edition 2020, International Chamber of Commerce).
- 5. Price. Prohibition of Payment Suspension.** **A.** The prices of each order are those indicated by TS in the Offer and/or the order confirmation and, in any case, the prices applied by TS in any previous agreement with the same customer, unless otherwise provided for in the event of a price increase. **B.** Unless otherwise agreed in writing, the customer agrees to make the payment of the price according to the methods and terms set out in the Offer and/or the order

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confirmation. Payment is conventionally made at TS's headquarters. **C.** Under no circumstances shall the customer be entitled to suspend or delay the payment, nor may he validly raise any claims in relation thereto until the price of the supply has been paid in full. **D.** In the event of failure to timely and fully make the payment, TS shall be entitled to exercise its rights provided by current laws on late payments in commercial transactions (Italian Legislative Decree 231/2002) without prejudice to the right to claim compensation for any further damages suffered and without prejudice to any other rights. **E.** TS may also, at its discretion, delay or suspend the execution of the Contract, deferring the contractual performance, if not yet completed, until the settlement of any outstanding debts.

- 6. Taxes and authorizations.** **A.** Unless otherwise provided for in the Offer, all taxes, duties, impositions, levies, licenses, authorizations, permits, and any administrative or customs formalities related to the export/import and/or resale of the Products are the sole responsibility, liability and expense of the buyer. **B.** Furthermore, the buyer is solely responsible for the prompt obtaining of any authorisation that may be necessary for the importation as well as for the Machine's assembly, installation, and start-up operations at the place of destination.
- 7. Modifications and Applicable Standards for the Products.** **A.** TS supplies the Products in accordance with the provisions specified in the Offer, without prejudice to its right to make non-substantial improvements without the obligation to notify the customer and without any change in the price. **B.** The Products comply with the technical standards applicable in the European Union and the laws and safety regulations in force in Italy; the Machines bear the CE marking and comply with the national and EU regulations, including technical ones, relating to machinery and their components, particularly the Machinery Directive 2006/42/EC and the Electromagnetic Compatibility Directive 2014/30/EU. **C.** TS does not guarantee the compliance of the Products, especially the Machines, with technical standards and laws, including those on workplace safety and health, in force or applicable in non-EU countries unless it has expressly committed to doing so in writing.
- 8. Warranty.** **A.** TS warrants that *(i)* the Products are new, suitable for the use for which they were intended and free from default and defects in materials and workmanship for the period of 12 (twelve) months from the date of delivery and *(ii)* Services comply with the specifications in the Offer and/or order confirmation ("Warranty"). **B.** TS undertakes to repair or replace, at its sole discretion, the Products and the Machine components recognized as defective and covered by the Warranty. Specifically, TS will replace Accessories, and in the case of Machines, TS may choose between replacing defective parts, repairing them at the buyer's premises, or repairing them at its own premises. **C.** Returns, which must have their original packaging completely intact, shall not be accepted unless authorized beforehand in writing by TS and then TS will inspect the returned items in order to verify whether the defect exists, and whether it is attributable to its own responsibility and covered by the Warranty and, only if these conditions are met, shall replace and/or repair the defective components. On the components replaced during the period of Warranty a new warranty shall be effective for the period of 12 (twelve) months from the delivery. **D.** TS's liability is strictly limited to replacement of the Accessories and to the cost of the repair or replacement of the defective components of the Machines, and to the relevant workmanship for the intervention under the Warranty; any costs or expenses incurred by TS (e.g. travel, food and accommodation expenses of the technicians) for Warranty interventions on the Machines are billed by TS based on actual expenses. If the intervention turns out not to be covered by the Warranty, the customer will also be charged for workmanship hours (where applicable, at the current UCIMU rates), that shall be paid by the buyer no later than the last day of the month in which the relevant invoice is issued. **E.** The Warranty is the sole warranty provided by TS and supersedes any other warranty, whether express or implied, written or oral.
- 9. Claim. Expiration, non-coverage and loss of Warranty effectiveness.** **A.** Any claims relating to the defects, faults and/or non-compliance of Accessories, Machines (or a component) and Services of any nature whatsoever must be sent to TS in writing, by certified email (PEC), whether possible, or via email within 8 (eight) days following the

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discovery and, in any event, within the Warranty time limit provided for in Article 8.A.(i), failing which the customer shall lose all rights to bring any claim in relation thereto. **B.** The Warranty does not cover normal wear and tear of the Machine and of its components and does not cover the defects caused in whole or in part by the transport, unloading operations at delivery, by the improper or unskilled use, or use not in compliance with the provisions of the instruction and maintenance manual of the Machinery (“Manual”) and/or incorrect installation, commissioning, or maintenance carried out by unqualified operators or those who have not followed the instructions for each Product, particularly those specified in the Manual. **C.** In any event, the Warranty shall not be effective nor enforceable if spare parts other than TS’s spare parts have been installed in the Machine, if consumable materials other than those recommended by TS for the Machine are used, or if the buyer performs or has performed any intervention, modification, repair, or replacement on the Machine without TS’s prior written consent. **D.** The fulfillment of the obligations set forth in Article 9 by the customer is a condition for the Warranty’s validity and effectiveness. In any case, TS shall not carry out any intervention under the Warranty in the event that the customer is in breach of the payment obligations under Article 5 hereinabove.

10. Exclusion and limitation of liability. **A.** TS’s warranties and liabilities are limited to those expressly set forth in the Contract, except as provided for by mandatory rules that cannot be derogated from by the Parties. **B.** In no case shall TS be held liable for damages of any kind resulting from (i) improper use, poor maintenance of the Products, or any action contrary to the instructions and the Manual, (ii) incorrect or negligent use of the Products, (iii) any other cause not attributable to TS, or, in any case, slight negligence by TS. **C.** Except in the event of gross negligence or willful misconduct, (i) in no event shall TS be liable for loss of profits, machine downtime, incidental or consequential damages, indirect losses of any kind, including lost business opportunities, injury, damage, and/or harm to reputation/image, arising from the supply of the Products and/or the provision of Services, and (ii) for direct damages and/or losses (including costs of any kind for the assembly and disassembly of the Products), TS’s total liability for contractual breach, including delays, is limited to a maximum value of 50% (fifty percent) of the price of the Products and/or Services object of the non-compliance.

11. Force majeure. **A.** TS shall not be liable towards the buyer for the failure to perform or for late performance of the Contract due to causes beyond its reasonable control or, in any event, to fortuitous events or *force majeure*. Cases of *force majeure* include, but are not limited to: late or non-delivery by TS’s suppliers; strikes and other trade union actions; acts of terrorism; interruption in the supply of energy; acts of war, even if undeclared; embargo; turmoil and riots; fire; sabotage; natural disasters; government orders (including those related to public health); international sanctions; difficulties in obtaining raw materials; communication network access difficulties; interruptions or overloads of energy flows and/or telephone/data lines; and cybercrimes. **B.** The customer cannot invoke a *force majeure* cause to justify non-fulfillment of its payment obligations towards TS.

12. Express Termination Clause. **A.** TS is entitled to terminate the Contract with immediate effect by means of a written communication to the customer, in the event in which the customer fails to fulfil its payment obligations provided for in Article 5 and, in any case, when the breach of any obligations hereunder is such as to prevent the relationship from continuing on the basis of mutual trust. **B.** Furthermore, TS shall be entitled to suspend and/or terminate the Contract and/or revoke or amend any credit terms that may have been granted to the buyer, if the buyer goes into liquidation or is under an insolvency procedure (in this case, without prejudice to the rights arising from the procedure), or in the event that the assets of the buyer decrease in such a way as to affect its ability to fulfil its contractual obligations, without prejudice to the TS’s right to claim damages.

13. Confidentiality and Intellectual Property Rights. The customer undertakes not to disclose any data and technical information related to the Contract, e.g. drawings, projects, prospectuses, documents and any other confidential information acquired during the performance of the Contract or in relation to the Contract, unless the disclosure is expressly authorised in writing by TS or necessary for the performance of the Contract, or in compliance with

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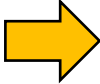
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obligations provided by the Law. **B.** Within the context of its business, TS shall have the power to communicate to third parties the existence of commercial relationships with the customer. **C.** The customer acknowledges that TS holds full and exclusive ownership of all know-how, trade secrets, trademarks, trade names, patents, inventions, source codes, and other intellectual property rights related to the Products.

14. Governing law and jurisdiction. **A.** These Conditions and all Contracts to which TS is a party are governed exclusively by the Italian law with express exclusion of the Vienna Convention of 1980 relating to contracts for the international sale of goods. **B.** The Court of Modena (Italy), shall have exclusive jurisdiction over all disputes related to the sale of Products and provision of Services by TS, without prejudice to TS's right to bring the customer before any Court having jurisdiction over the customer, particularly, but not limited to, for the collection of debts related to the Products supplied and the Services provided.

<p>By way of full acceptance of the General Terms and Conditions of Sale of TS S.r.l.</p> 	<p>Date: _____</p> <hr/> <p>For the customer (stamp and signature of the legal representative)</p>
<p>In accordance with the provisions of Articles 1341 and 1342 of the Italian Civil Code, the customer expressly accepts and approves the following articles of the General Terms and Conditions of Sale of TS S.r.l.: 3.C. Effectiveness of cancellations or modifications of the orders; 3.E. Withdraw; 4.B. Exclusion of liability for late delivery; 5.C. Prohibition on suspending payments; 5.E. Suspension of Contract execution; 8.B. Object of the Warranty; 8.C. Acceptance of returns; 8.D. TS's responsibility with respect to the Warranty; 9.A. Claims and expiration of the Warranty; 9.B. Warranty exclusions; 9.C. Loss of effectiveness of the Warranty; 9.D. Warranty's ineffectiveness and suspension; 10. Exclusion and limitation of liability; 11.B. <i>Force majeure</i> applicability; 12. Express Termination Clause; 14.B. Exclusive jurisdiction.</p>	<p>For the customer (stamp and signature of the legal representative)</p> 