



COSTRUZIONI ELETTROTECNICHE CEAR s.r.l.

GENERAL CONDITIONS OF SALE

1. FOREWORD

The CEAR General Conditions of Sale apply to contractual relations between CEAR and its customers relating to products, systems and services.

The Conditions, together with the Order and Order Confirmation, represent the totality of the agreements entered into between CEAR and the Customer with regard to a specific Supply and in this regard replace any other communication and/or oral or written agreement between CEAR and the Customer.

The Supplies include only those expressly specified in the CEAR Order Confirmation and are governed by these General Conditions, subject to exceptions resulting from explicit written agreements. Any changes or communications during the course of the supply shall not constitute novation of the contract.

On receipt of the Order, CEAR has 30 days, during which time the order shall be irrevocable by the Customer, to transmit its acceptance.

CEAR may at any time suspend execution of the supply in the event of a change in the Customer's equity position pursuant to art. 1461 of the Civil Code, without the latter having any claim for any reason and/or title.

The Customer nevertheless undertakes to pay the expenses, fees and reimburse all costs and damages incurred or suffered by CEAR upon mere presentation of the invoice.

2. DEFINITIONS

CEAR: Costruzioni Elettrotecniche CEAR S.r.l. and any successors and/or rightful claimants.

- Customer: the subject requesting and/or receiving a Proposal or sending an Order to CEAR.
- Order Confirmation: written communication with whom, CEAR confirms acceptance of Order to the Customer, thus stipulating a Contract.
- Conditions: these General Conditions of Sale.
- Contract: the set of provisions of the Conditions, of the Order and of the Order Confirmation.
- Supply: the overall subject of the Order Confirmation.
- Proposal: the document that CEAR submits to the customer in order to verify the prices of the requested Products, Systems and/or Services.
- Order: the document and its attachments, signed by the Customer and sent to CEAR for acceptance with whom the Customer requests the supply of Products, Systems and/or Services.
- Parties: the Customer and/or CEAR.
- Price: the consideration indicated in the Order Confirmation.
- Products: the goods specified in the Order Confirmation.
- Services: the services specified in the Order Confirmation.
- Systems: the systems specified in the Order Confirmation, including Software development.

3. CONTRACT

Unless specifically agreed otherwise, the Customer agrees that each Order, as well as the Conditions and Order Confirmation on the part of CEAR concerning Products, Systems and Services, represents a separate contract, legally independent from the others.

Each time the Customer places an order subject to Order Confirmation by CEAR, the corresponding Supply shall be subject to further Conditions that are an integral part of the Contract.

In the event of discordance between the provisions of the various contractual documents, those contained in the Order Confirmation and in the Conditions shall prevail over those contained in the Order and those contained in the Order Confirmation shall prevail over those of the Conditions. Any general conditions of purchase of the Customer not expressly accepted by CEAR, even if listed in the Order and/or on the back of the Order, shall in any case not be applicable.

No CEAR agent or intermediary has the power to accept orders on behalf of the same.

The Contract is finalised between the Parties when CEAR, following receipt of the Order, has communicated acceptance of the same to the Customer in writing. The Customer, as soon as it receives the Order Confirmation from CEAR, shall check all the data contained therein; data are accepted by the Customer if not immediately contested in writing by the same.

4. GENERAL PROVISIONS

4.1 All information exchanged between the Parties shall be considered non-confidential. If the Parties wish to communicate, receive or exchange confidential information, the same undertake to conclude and sign a specific confidentiality agreement.

4.2 Either Party may communicate with the other by electronic means and such communication shall be equivalent to a written document, with full contractual validity between the Parties, without prejudice to mandatory provisions of the law. The identification code contained in the electronic document, even if different from the digital signature, shall suffice for identification of the sender and authenticity of the document. In particular, the Parties agree that the signed Order and Order Confirmation, forwarded by electronic means, shall be considered by said Parties as equivalent to signed paper documents, with the same mandatory and binding nature, without prejudice to mandatory provisions of law.

4.3 In the case of use of Products built by CEAR not only for its own use, the Customer undertakes not to eliminate Product identification plates, replacing them with its own,

and to accompany the same with the "CE Declarations of Conformity" issued by CEAR, without which any legal liability and product warranty is forfeited.

4.4 The Customer accepts liability for the results of improper use of the Products and Systems purchased.

4.5 In the event that any clause of the Conditions and/or Order is declared invalid or ineffective, the remaining provisions shall remain in full force and effect.

5. PRICES

Unless otherwise agreed in writing, the prices are understood to be those indicated in the Order Confirmation, ex works CEAR, and do not include services, packaging, VAT, duty, insurance or charges not mentioned and in particular duty and taxation in force at the place of destination and export-related tax and financial charges.

6. PAYMENT AND INVOICING

Payment for the Supply shall be by bank receipt in the forms listed below unless otherwise agreed.

Any claim on the part of the Customer, also for delivery delays or Supply missing non-essential parts, shall not entitle the Customer to withhold or delay payment. In the event of delayed payment, the Customer shall pay CEAR, without the need for notification of default, interest to the extent determined by art. 5 of Legislative Decree 231/2002, without prejudice to any greater damage. Such interest shall be paid on presentation of the corresponding invoice. CEAR shall have the right to suspend deliveries if the Customer does not make even a single payment before the agreed deadline or is in breach of any other contract or any other obligations in general vis-a-vis CEAR.

Where the Supply permits, CEAR may make split deliveries, invoicing in such case each delivery separately, according to the contractually agreed payment terms.

Unless otherwise agreed between the Parties, invoicing for the supply of Products or Systems only shall be made in full on preparation of shipment.

In the case of complex supplies, including various goods and services (assembly, transport, etc.) independent methods of payment shall be established for goods (to be carried out according to predetermined delivery-related deadlines) and for other services.

In the case of labour or activities on site recognised on a time and materials at costs, CEAR shall issue the corresponding invoice at the end of each month, upon receipt of the report on CEAR personnel hours suitably countersigned by the Customer.

6.1 Supplies of goods

- 20% on receipt of invoice issued on Order Confirmation
- 80% at 60 days from date of invoice issued on preparation for shipment or custody (see point 9).

6.2 For Assembly/Commissioning/Transport/Storage 100% at 60 days net from date of invoice issued:

- on completion of service
- on monthly progress on submission of calculations.

6.3 Reimbursement of expenses

- at 30 days from date of invoice.

7. DELIVERY AND TRANSFER OF RISK

All commercial conditions agreed shall be interpreted according to the INCOTERMS in force at the time of conclusion of the Contract.

If no specific conditions have been agreed, delivery shall be EX WORKS Gessate and transfer of risk shall take place on collection.

The Customer acquires ownership of the Supply, taking over the corresponding risks, from delivery to the Customer itself or to the carrier, even if the Supply is carriage paid or if assembly is included or if transport is under the responsibility of CEAR.

8. RETENTION OF TITLE

CEAR retains title to the Products and Systems supplied until total payment of the same and any act of the Customer which, other than with express written consent, causes damage to the right of CEAR to resell the goods, shall be subject to legal sanctions.

Retention of title shall have no effect on the transfer of risk.

9. LIMITATION OF LIABILITY

Without prejudice to mandatory legal limits, the liability of CEAR towards the Customer for direct damages under the contract, of any nature and for any other existing form of compensation and/or indemnification provided for by law and/or by these Conditions and/or by the Contract, shall not under any circumstances exceed an overall amount equal to 100% of the Price.

Without prejudice to mandatory legal limits, CEAR shall not be liable to compensate the Customer for loss of profits and any indirect and/or consequential damages. In any case, CEAR shall not indemnify the Customer for any damages it may be called upon to pay to third parties.

Any responsibility and obligation of CEAR for any direct or indirect damage caused to persons or property by incorrect use of the goods subject of the supply shall nevertheless be excluded. Supplies are provided on the understanding that the

Customer is aware of possible legal restrictions, safety standards and industrial property rights. The Customer therefore accepts liability arising from any infringements and exempts CEAR in all respects.

In the event of a conflict of interpretation, the provisions contained in this article shall be deemed to prevail over any other provision to the contrary contained in the Conditions and/or the Contract.

10. DELIVERY DEADLINE

The delivery deadline shall begin on the date of the last of the following events:

- from the time of agreement between the Parties on all supply conditions;
- from receipt on the part of CEAR of the deposit with Order, if applicable;
- from receipt on the part of CEAR of the technical data of the Customer or from approval of the final CEAR drawings and diagrams by the Customer, where applicable;
- from receipt on the part of CEAR of any materials to be provided by the Customer or third party designated by the same.

The delivery deadline indicated is automatically extended in the case of force majeure events for a period equivalent to the duration of the event itself.

The delivery deadline is also extended if the Customer does not promptly fulfil the following contractual obligations:

- if payments are not made on time;
- if the Customer does not provide before or during execution of the Order the necessary information within the established dates;
- if the Customer does not provide in a timely manner any materials to be supplied by the same;
- if reasons arise independent of the goodwill and diligence of CEAR, also including proven subcontractor delays;
- if the Customer requests changes during execution of the Order;
- The delivery deadline refers to the date of preparation of the shipment.

By delivery date the Parties mean the date of issue by CEAR of notification of goods ready or shipment to the Customer or to the carrier or freight forwarder indicated by the same in the Order or notification of goods available for testing.

11. PLACE AND METHOD OF DELIVERY – PACKAGING – SHIPPING – TRANSPORTATION

Unless otherwise agreed in writing, CEAR provides the Products and/or Systems ex works, delivering the same to the Customer or third party assigned by the latter in good time. Additional services for packing, loading, transportation and unloading at destination shall be invoiced and settled as provided for in point 6.

The Products and/or Systems always travel at the Customer's expense and are not insured against transport risks, unless requested in writing by the Customer, contained in the Order with whom the Customer accepts the related costs.

If, after 15 working days from the date of preparation for testing or shipping, the Customer has not collected the goods, CEAR shall be entitled to deliver the goods in custody, on behalf and at the expense of the Customer, to suitable Warehouses. Warehousing shall take place at the Customer's risk. Custody fees and insurance shall be defined by mutual agreement between the Customer and CEAR. In the absence of agreement between the Parties, charges to the customer shall be calculated on the basis of 4% of the value of the goods stored for each month or fraction of a month during which the goods remain in storage. Warehousing shall take place at the Customer's risk. The Customer is obliged to verify the Products and/or Systems and report any shortages before accepting delivery from the carrier and before, therefore, signing the transport document for receipt. Any defects or damage, not recognisable at the time of delivery, or shortages shall be notified to the carrier by registered letter with copy to CEAR, within 8 (eight) days of receipt of the Products and/or Systems. Otherwise the Customer loses the corresponding rights. Neither return Products/Systems nor packaging shall be accepted without the written consent of CEAR. Also in this case the same travel at the Customer's exclusive risk and expense.

CEAR shall execute packaging according to normal practice, being expressly exempt from any liability for any malfunctions and/or damage that the goods might suffer or cause during transport due to the packaging. The use of special packaging shall be expressly requested by the Customer at the time of Order.

The goods, even if sold carriage paid, travel at the risk and peril of the Customer, also in the case of returns.

12. PENALTIES

Any penalties for delay shall be expressly indicated in the Order Confirmation. Should CEAR, in the event of delay in fulfilment, be obliged to pay a penalty, pursuant to and for the purposes of article 1382 of the Civil Code, such amount shall be deemed the sole remedy available, compensation for further damage therefore being expressly excluded. The penalty shall not be due if the delay in fulfilment of the service is attributable to an event of force majeure or an event not attributable to the direct responsibility of CEAR.

The date from which the Customer intends the penalty to be applicable shall be communicated to CEAR by registered letter, without the possibility of retroactive effect with respect to the date of arrival of the corresponding letter. The penalty shall in any case not be due if it is not requested within 10 (ten) days of receipt of the delayed Supply.

The Customer expressly waives offsetting amounts due by way of penalty with other amounts contractually provided for.

13. FORCE MAJEURE

CEAR shall not be liable for breach of any contractual obligation or delays caused by or arising from: earthquake, fire, flood, pandemic, invasion, insurrection, revolt, order of the civil or military authorities, state of alert, mobilisation, blockade, war (also in States indirectly involved the Supply), strike, union action, factory occupation, lockout, embargo, confiscation, seizure, restrictions on the use of energy, interruptions of all kinds of goods transport as well as problems and delays in deliveries by subcontractors caused by any of the circumstances mentioned in this clause and nevertheless any circumstance that is beyond the control of CEAR, even if not expressly listed here. The delivery deadline shall be suspended for the period of time in which one of the above causes delays execution of the Contract.

14. TECHNICAL DOCUMENTATION

The Customer declares to be informed of the safety regulations concerning use of the Products and Systems. Unless otherwise agreed in writing, machines, equipment and goods correspond to the CEI and IEC standards and to specific industry technical standards and/or applicable EU directives. Weights and dimensions are indicated for information purposes only. CEAR reserves the right at any time to make non-substantial changes that it considers appropriate to its Products and Systems, nevertheless informing the Customer should they affect installation. Should the customer propose technical changes to that provided for by CEAR in the proposal and in the drawings submitted, in order for the same to become binding, there shall be full written agreement between the Parties on the variations that such changes might cause to the previously established Prices and delivery deadlines. Submission of the proposed change shall not suspend the effectiveness of the contractual terms.

The Customer undertakes not to make use, for reasons other than those provided for in the supply Contract, of the drawings, technical information and inventions relating to the Supply issued by CEAR, which remain its property and which the Customer cannot provide to third parties nor reproduce without prior written permission.

In the event that the Customer wishes to use the documentation provided and the related Supply for incorporation into other goods/documents, the Customer undertakes to ensure that in the use which shall be made, the industrial property rights of third parties are not infringed and accepts under its sole responsibility all liability arising from such infringements, holding CEAR harmless.

If the subject of the Contract is executed by CEAR based on the Customer's specific technical documentation, CEAR does not accept any liability for any infringements of industrial property rights of third parties and the Customer undertakes to hold CEAR harmless.

15. TESTING

The Customer has the right to request, in good time, to take part in the routine testing of Products and Systems, at its own expense and during normal working hours, c/o the workshops of CEAR, which shall inform the same of the date with reasonable notice; if the Customer is not present at the established time, the tests shall be nevertheless carried out, the outcome shall be communicated and the Supply shall be deemed to have been accepted by the Customer. The Customer shall nevertheless bear all expenses, including board and lodging, for participation of its representatives in such testing.

If special tests are requested, these shall be carried out at the Customer's expense.

The Customer may request on-site testing of goods to verify their proper functioning. In this case, all expenses shall be paid by the Customer, including professional services, trips, board and lodging and travel; tests shall be carried out under the responsibility of the Customer which shall also be responsible for total safety of the workplace. On the successful outcome of tests or on expiry of the above mentioned deadline without the Customer having requested testing, the Supply shall be deemed to have been accepted by the Customer, subject to the CEAR guarantee as stated in point 15.

16. ASSEMBLY

Unless otherwise agreed, assembly of the equipment and components of the Supply shall be carried out by the Customer at its own expenses.

At the Customer's request, assembly may be requested to CEAR at the rates that shall be communicated at the time of the request. The Customer shall put in place the necessary works and connections in a timely manner and provide everything necessary, including ensuring safety of the places where assembly is to take place.

17. WARRANTY

CEAR guarantees the good quality and construction of its Products and Systems undertaking, within the warranty period, to repair or replace free of charge, in its factory and in the shortest time possible, those parts which, due to the poor quality of materials or defective workmanship, prove to be defective, provided that this does not depend on assembly errors on the part of the Customer or of third parties, on misuse of materials, lack of or improper maintenance, natural wear, faults caused by malpractice or negligence of the Customer or by transport, on poor storage of materials, overloading beyond the contractual limits, unauthorised interventions, modifications and tampering carried out or commissioned by the Customer, fortuitous cases or force majeure.

If the repair is not carried out at the CEAR factory, unless otherwise agreed, all additional expenses shall be borne by the Customer, which shall bear all additional costs for correction of the defect.

Repair or replacement shall be carried out provided that the Customer at that time has complied with its obligations and with the payment terms.

Goods shall be subject to warranty for a period of 12 months from commissioning, but no more than 18 months from preparation for testing in the factory.



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After this period warranty shall cease, even if the equipment has not been put into service for whatever reason.

For work to be carried out on site, the Customer shall provide to CEAR personnel, under its responsibility and at its expense, all the means and ancillary personnel required, as well as all the ancillary works.

Expenses for board and lodging, travel time, travel expenses, trips, etc. shall be borne by the Customer. CEAR shall only bear the cost of hours of work if the defect is the responsibility of CEAR.

In the event of a fault to be eliminated during the warranty period, nothing shall be due to the Customer for the time during which the system is idle, nor can the latter claim compensation or indemnification for expenses, claims or direct or indirect damages.

Replaced parts shall remain the property of CEAR and shall be returned carriage paid by the Customer. All transport related to operations carried out under warranty shall be at the expense, risk and peril of the Customer. For parts that CEAR has purchased from suppliers, the Customer shall benefit from the warranty provided by the latter to the same. Materials and parts subject to continuous wear and consumables are excluded from warranty.

Under no circumstances can the expiry and statute of limitations deadlines pursuant to art. 1512 of the Civil Code be extended.

CEAR shall not be liable for defects of materials supplied by the Customer or those deriving from design agreed or specified by Customer.

Given that the Products and Services provided by CEAR are part of complex systems, no liability can be attributed to the same for the failure of such systems since the causes do not depend solely on CEAR supplies.

After the warranty period, no claims shall be accepted, not even for hidden defects.

18. OPTIONS

Any options shall be specified in the Order and be exercised within the agreed period of their validity.

19. EXPRESS TERMINATION CLAUSE

Pursuant to and by effect of art. 1456 of the Civil Code, CEAR may terminate the contract on the occurrence of the following breaches:

- lack of payment by Customers within the agreed deadlines and/or any adjustments of the same;
- provisions relating to occupational health and safety and environmental protection;
- changes in ownership or shareholding structure;
- changes in financial/equity position

20. PROVISIONS CONCERNING OCCUPATIONAL SAFETY

In the case of activities c/o the Customer, the Customer shall ensure CEAR:

- safety of the system c/o the Customer and/or the Customer site at which CEAR activity is to be carried out.
- free access, adequate space as well as, in general, everything necessary and possible in order for CEAR to fulfil its obligations and in particular provision of electricity and availability of lifting equipment for the use of equipment required to perform the activity c/o the Customer.

The Customer shall also communicate in advance to CEAR all risks in work areas and activate and ensure all the related and necessary prevention and protection measures and emergency plans, in order to avoid CEAR being exposed to said risks and dangers and in order for occupational health and safety to be adequately protected.

The Customer shall also notify in advance and in writing to CEAR the name of its Safety Manager for the activities to be carried out and to whom CEAR personnel shall report before starting work.

In the mutual interest of the Parties it is therefore mandatory, in order to ensure safe working conditions, that before starting work, the Customer provides CEAR personnel with all Customer information concerning the safety conditions of the areas and systems in which the same operate.

CEAR personnel may refuse to start activities at their sole discretion until they have been informed of the effective safety conditions or if the same are not in place.

In any case, it shall be the responsibility of the Customer to prevent CEAR personnel from accessing the Customer site and related systems until all operations to ensure the absolute safety of activities on the system or part of the system involved in the intervention have been carried out, activities which shall take place with the constant assistance of expert Customer personnel and with the use of all protective and possibly special devices for the safeguard of their health and safety.

In the event of an injury or accident to CEAR personnel, the Customer undertakes to ensure CEAR representatives free access to the site of the accident in order to verify the actual causes.

21. DISPUTES

Contracts, even if concluded with foreign citizens or for goods provided abroad, are governed by Italian legislation. Any dispute shall be subject to the jurisdiction of the Court of Milan, also in waiver of articles 32 et seq of the Civil Procedure Code, except for the possibility of the Customer to resort to the judicial authorities of another place, also as a guarantee or related case, but without prejudice to the right of CEAR to

proceed in Italy or abroad. Any disputes do not exempt the Customer from complying with the agreed payment terms and do not imply any extension of the agreed terms. Contract fees, its registration and any transcription shall be borne by the Customer.

22. PRIVACY

The Parties mutually acknowledge, pursuant to art. 13 of Legislative Decree 196/03 (privacy legislation), that the data provided shall be processed exclusively for pursuing the purposes of the Contract, also via third parties, in order to allow fulfilment of information, administrative, accounting and commercial requirements related to the contractual relationship. A full copy of the privacy policy can be consulted at the following website: www.cearsistemi.it

THE CUSTOMER
(stamp and signature)

The Customer, pursuant to art. 1341 et seq of the Civil Code, declares to have read and accept specifically the clauses referred to in points:

- 3. Contract
- 4. General Provisions
- 5. Prices
- 6. Payment and Invoicing
- 7. Delivery and Transfer of Risk
- 9. Limitation of Liability
- 10. Delivery Deadline
- 11. Place and Method of Delivery – Packaging – Shipping - Transportation
- 12. Penalties
- 13. Force Majeure
- 14. Technical Documentation
- 15. Testing
- 16. Assembly
- 17. Warranty
- 19. Termination Clause
- 20. Provisions Concerning Occupational Safety
- 21. Disputes
- 22. Privacy

THE CUSTOMER
(stamp and signature)