

**GENERAL TERMS AND CONDITIONS BETWEEN BUYER AND VENDOR, ALSO VALID FOR PURCHASE (T&C)**

**A.**

**A.1 Definitions**

PURCHASE ORDER or ORDER is the order signed, bearing a number and date issued from Buyer to supplier, including the documentation attached to the Order, the Purchase Order General Terms & Conditions, and the work progress reports and/or agreements signed by both Vendor and Buyer;

BUYER is MEMBRANE SRL;

VENDOR or SUPPLIER is the recipient or addressee of the Order;

PURCHASE ORDER CONTRACT is the contract established between Buyer and Vendor resulting from Vendor's acceptance of the Order;

FINAL CUSTOMER or CUSTOMER is Buyer's Customer and/or its own Customers;

SCOPE OF SUPPLY or SUPPLY or GOODS is the whole content of the Purchase order, whether it concerns goods and/or services (including the related documentation) in compliance with the terms stated in the Purchase order, until successful delivery to Buyer or Final Customer;

DELIVERY DATE is the date (or the dates, in case of multiple deliveries) at which Supplier must make the Supply available for collection, work, and in any case free for Buyer to assume ownership;

DELIVERY is the site, timing, and modality by which Supplier must transfer the Supply to Buyer;

SUBVENDORS are the physical and/or juridical entities who deliver services or supplies goods to MEMBRANE's direct Vendor(s);

SUBSUPPLIES are the supplies of goods and/or services delivered to MEMBRANE's direct Vendors, from their own SubVendors, as part of the Supply undertaken by or in lieu of Buyer;

GENERAL TERMS AND CONDITIONS OF THE RELATIONS BETWEEN BUYER AND VENDOR VALID FOR PURCHASE (T&C) are all the contractual relations that represent the base of the cooperation between Buyer and Vendor. T&C represent a set of rules constituting a format that is underwritten by Buyer and Vendor regardless of the purchase orders and contracts signed by the parties. In case a purchase order is issued after the preliminary negotiations and offers by Vendor, said T&C will be attached to and shall be valid for the purchase order. It is therefore possible under the premises above that the purchase order and the T&C have different date of signature. Such circumstance does not represent a reason to claim an exception or invalidity of the T&C, as described under C.11.15

**A.2 Orders**

A.2.1 All purchase Order contracts are subject to the general terms and conditions regardless whether the scope of Supply is represented by tangible assets such as raw materials, goods, machinery, or intangible assets such as services of any kind, software, etc. The lack of full compliance with the Order represents a failure in fulfilling the Order.

A.2.2 The Order comes into force officially on the date reported at page one of the Order, under the provisions set by paragraph A.4

A.2.3 The acceptance of the Order constitutes Vendor's renounce to any provision not expressly stated in the Order, and Vendor considers its own purchase conditions and any other purchase condition cancelled and inapplicable.

A.2.4 Vendor must always include Order's details on delivery notes and general notes. Details must include as a minimum the nature of goods, their quantity, dimension, net and gross weight, and the purchase Order number.

A.2.5 Delivery dates and prices represent essential conditions of the Order. Vendor must immediately notify Buyer by writing about any actual or foreseeable reason that may cause delay or in whatsoever way impact the delivery date, quality, or compliance of the Supply reported in the Order.

A.2.6 In case of Supply of goods, said goods and the materials employed must be new, without any evident or hidden defect. The Supply of goods or services must comply with the Order. In case the Supply is not compliant, has non-conformities or flaws, is incomplete, or is damaged for whichever reason not attributable to Buyer, Buyer has the right to reject the Supply, cancel the Order, and charge Vendor with all damages suffered and deriving from such situation. In any case Vendor assumes all risks and responsibilities for the shipment of the Supply and the delivery of the services to Buyer, up to the delivery point stated in the Order.

A.2.7 Buyer commits to pay only for the quantities ordered. Any extra quantity shall be held by Buyer at Vendor's sole risk and cost, and will be made available to Vendor for collection.

**A.3 Order Documents Priority**

A.3.1 In case any difference and/or conflict exist among the conditions and/or the documents within the Supply, the following scale of priorities shall be used:

- 1) Order;
- 2) Documentation attached to the Order;
- 3) Purchase Order General Terms & Conditions;
- 4) Written agreements signed by both Vendor and Buyer;

Such scale of priority will not void the conditions that govern the purchase Order but shall replace only the words that differ, and leave the remaining content valid.

**A.4 Order Confirmation**

A.4.1 Vendor must provide evidence within 5 solar days from the date of the purchase Order that it has received and unconditionally accepted the Order, by returning to Buyer each page signed, stamped, and dated. Changes or modifications to the purchase Order are not accepted, and if any are present the Order shall become completely null and void *ab origine*. The acceptance of the purchase Order by Vendor represents the acknowledgement that Vendor has the skills and the know-how to complete the Supply in compliance with the Order, and can also coordinate and assign the resources necessary to achieve the scope of the Supply.

A.4.2 If Vendor commences the Supply described in the Scope of Supply before the Order confirmation is returned to Buyer in the way described above, the Order is completely accepted by Vendor in all its terms, conditions, and specifications as if Vendor had accepted the Order by signing, dating, and stamping it.

**A.5 Change Orders**

A.5.1 At any given time before the Delivery Date, Buyer has the right to perform any change to the Order: such changes shall not affect nor void the Order. Vendor must inform Buyer five days from receiving the request to perform changes, about any variation in price and time schedule necessary to perform the changes requested by Buyer. Such changes shall be agreed upon by Buyer and Vendor in writing, by means of a revised purchase Order or a new Order that must be underwritten and signed by both parties; otherwise, the Order conditions shall be valid. Vendor shall have no right to receive a change Order or a new Order if Buyer makes decisions or takes actions necessary to ensure that Vendor complies with the Order's conditions and fulfills its content.

**A.6 Order Suspension**

A.6.1 Buyer has the right to ask Vendor to suspend the Supply for contingency reasons or due to impediments arisen after the date of the purchase Order contract coming in to force, that prevent the regular course of the Supply. Buyer can legitimately ask for a maximum aggregate time of all suspensions up to 35% of the time spanning from the Order confirmation date to the date of the last delivery requested. Within such timespan Vendor cannot claim any reimbursement or compensation for extra costs or liquidated damages for whichever reason. In this case the delivery schedule shall be agreed upon between Vendor and Buyer;

**A.7 Order Cancellation and Impossibility to Perform within Terms**

A.7.1 Without incurring in any responsibility, Buyer shall have the right to cancel the purchase Order, by registered letter with notification or Certified Email, without paying to Vendor any liquidated damage or cost whatsoever (a) before receiving Vendor's Order confirmation, or (b) upon one of the following occurrences: (i) Vendor does not Supply the requested goods or services within the date(s) stated in the Order and if the delay is more than two weeks without Buyer's written approval; (ii) Vendor does not comply with the warranty's obligations stated in section C; (iii) Vendor refuses, without a detailed reason, to accept the Order change(s) under the provisions stated in the Order; (iv) Vendor does not comply with one of the obligations stemming from the Order or from an outstanding Contract in force between Vendor and Buyer to which the Order is subject, and such non-compliance is not closed within fifteen solar days from the date Vendor receives the notification of non-compliance; (v) insolvency, bankrupt, or a similar procedure has been initiated against Vendor; (vi) failure to meet safety requirements.

A.7.2 Moreover, provided that no other legally binding agreement exists in written form and is signed by Buyer and Vendor, Buyer reserves the right to partially or fully cancel the Order at any time by registered letter without any obligation to justify such decision. Upon receiving the Order cancellation, Vendor must immediately stop any work related to such Order either performed directly or by third parties appointed, shall not place any purchase Order, shall not accept any Order by third parties similar to the Order that was cancelled, shall not enter any further engagement or contract necessary to the completion of the Supply, and shall adopt any reasonable measure to minimize costs and losses due to Order cancellation.

A.7.3 In case of Order cancellation for which Vendor is not liable, Vendor shall be entitled to an indemnification whose value shall be commonly agreed upon between Vendor and Buyer. Such indemnification shall account for the time the Order cancellation is issued, the work already performed, the costs and expenses borne by Vendor directly related to the purchase Order that has been cancelled, provided that Vendor has not sold the Supply to others. No amount shall be acknowledged to Vendor for loss of profit due to the Order cancellation.

A.7.4 Any difficulty or impossibility to perform the Order in accordance with the terms specified must be immediately communicated in writing to Buyer within 48 hours from the date of receipt of the Order. In such case Buyer reserves the right to provide new instructions or cancel the Order.

**B.**

**B.1 Coordination Meetings**

B.1.1 Vendor must nominate a Project Manager and submit to Buyer know a name and contact within 7 (seven) solar days from the date of the Order. The Project Manager must attend all meetings with Buyer, every time Buyer decides a meeting is required throughout the whole Supply. All activities and costs related to such meetings must be considered included in the price of the Order.

**B.2 Rules for Documentation**

B.2.1 All documentation requested by the purchase Order is an integral part of the Order itself. Failure to submit the requested documentation in the way the purchase Order states results in incomplete Supply.

B.2.2 All documentation must be submitted in the language(s) and in the modality required by the Order.

B.2.3 Any chemical and/or potentially dangerous substance must always travel accompanied by the safety data sheets. If the safety Odata sheets are missing the Supply cannot be received by Buyer and shall be sent back at Vendor's cost.

B.2.4 All documentation must be submitted in original to Buyer, according to the following timeline: i) 'For Construction' so as to allow Buyer –immediately after the issue of the Order, to complete its design, engineering, and submission of technical papers to the final customer, ii) 'As Built', so as to let Buyer have the actual documentation appertaining to the goods and/or services actually delivered and dispose of them in a format suitable to write manuals, technical data sheets, and submit them to the final Customer. It is of essential nature that all documents are sent to Buyer in native electronic format (e.g.: doc, .xls, .dwg, ecc.), including the source code of the electronic equipment programmed (e.g.: PLC, DCS, CPU, HMI, PC, SCADA), and that they are editable and without any lock or password or constraint.

B.2.5 For confidentiality reasons, all documents, papers, calculations, drawings, machinery, goods, raw materials, and anything else provided by Buyer to Vendor throughout the whole Supply remain Buyer's property and must be returned to Buyer complete, without withholding and/or copying (e.g. by photo static, electronic, digital, optical, etc) any part.

B.2.6 Upon Supply's successful completion, all documents, calculations, drawings, and anything else Buyer has given to Vendor must be returned to Buyer, complete of all comments and/or notes and/or modifications that were necessary to allow Buyer to dispose of the most updated and actual information about the Supply's status at the time of successful completion (also known as documentation "As Built")

B.2.7 Any duty or cost of whatsoever nature from which Buyer may suffer as a result of Vendor's mistakes and/or omissions of documentation shall be to Vendor's account.

B.2.8 Vendor accepts that in case it becomes impossible to issue the requested documentation after the Supply has been delivered, this condition represents a severe non-conformity that legitimates Buyer to: not correspond the price of the Supply, charge the liquidated damages, and charge any further damage arising.

B.2.9 Vendor must send to Buyer a detailed report stating the activities underway as well as their time schedule, and must also describe a plan of the activities for the next period of time. Such report, also known as 'Progress Report' must be sent to Buyer every 15 solar days from the Order date, and every 7 solar days during the month preceding the delivery date. The Progress Report must be setup independently by Vendor on its own templates, except if Buyer provides its own templates, in which case Vendor must only use the latter ones. Failure to comply the obligation described above represents a severe breach of the purchase Order Contract which legitimates Buyer to not correspond the price of the Supply, charge the liquidated damages, and charge the damages arising.

**B.3 Inspections, Verifications, Tests, Samplings**

B.3.1 The scope of Supply is subject to inspections, tests, and checks by Buyer and/or his delegates and/or the Final Customer every time they require doing so, both in case the request comes during the Supply and if it comes right before the delivery of the Supply.

## GENERAL TERMS AND CONDITIONS BETWEEN BUYER AND VENDOR, ALSO VALID FOR PURCHASE (T&C)

B.3.2 Vendor accepts that while the Order is in force Buyer has the right to access all Vendor's manufacturing sites, facilities, and offices in Order to verify that the Supply process is properly and timely carried out, to provide special instructions, and to test or check the Supply by using the instrumentation and tools belonging to Vendor and/or the site where the Supply is being carried out. Such inspections shall by no means reduce Vendor's responsibilities towards Buyer.

B.3.3 Vendor must timely submit to Buyer a detailed, updated report evidencing the progress of work, every time Buyer requires doing so. Detailed updated evidence shall include –but not limited to: photographic pictures, movies, signed documents evidencing work(s) performed, third parties reports showing that work has been inspected and progress has been described.

B.3.4 Vendor must submit to Buyer a Test Inspection Plan within 10 days from the Order date. The Test Inspection Plan is subject to Buyer's approval.

B.3.5 Vendor must timely inform Buyer about any inspection, test, check –either preliminary or final, at least 15 days ahead of time. Along with the Supply Vendor must also submit the original of the test certificates, inspections, and checks performed as required by the Order.

B.3.6 All costs of inspections, tests, checks are exclusively on Vendor's account and must therefore be considered included in the Order's price. In case any inspection, test, or check need to be repeated as a result of a Vendor's non-conformity, all inspections, tests, checks thereafter shall be on Vendor's account and so shall be travel, accommodation, and live expenses of Buyer's personnel and final customer's personnel. Prices reported in the Order also include warehousing and preservation costs for the whole time necessary to successfully complete inspections, tests, and checks.

B.3.7 The site(s) where inspections, tests, samplings, checks will be carried out are in general the same sites where the Supply is carried out, packaged, or where Vendor has suitable infrastructures to perform such inspections, tests, and checks. In case Buyer disagrees on the actual appropriateness of infrastructures made available by Vendor, Buyer reserves the right to perform such inspections, tests, and check at sites or laboratories of its own choice. In the case above, the costs shall be entirely on Vendor's account.

B.3.8 In case of negative inspections, tests, and checks, they must be repeated by Vendor until achievement of full compliance to the purchase Order and satisfaction of both Buyer and Final Customer. Any verification conducted by Buyer's or Final Customer's inspectors or personnel by them designated, does not relieve Vendor from the responsibilities and obligations in force with the purchase Order.

B.3.9 In case of negative inspections, tests, and checks, Buyer has the right to reject the Supply or the parts that had negative outcomes. Vendor cannot oppose Buyer's decision when inspections, tests, and checks are negative as a result of severe incompliance by Vendor. In such case Vendor cannot request that inspections, tests, inspections, or checks are repeated after performing the corrective actions (even if they are of minor entity) on goods that did not pass tests, inspections, or checks for which Buyer refused such procedures.

B.3.10 Vendor cannot deliver the scope of Supply or any of its parts that have not passed tests, inspections, and checks: Vendor shall endorse all costs for the disposal and replacement of such parts and/or services with new ones that can pass the tests, inspections, and checks.

B.3.11 Vendor must preserve all materials and tags as evidence of tests performed, for the whole warranty period.

### B.4 Components' Identification

B.4.1 Every part supplied must be clearly identified: appropriate alert symbols must be displayed to warn of chemicals or other substances that require special care. Every part must be marked with its own serial and tag number, written or stamped on, depending on the case, in at least two spots by using an alphanumeric code, a reference to major drawings, specifications, and material lists.

### B.5 Acceptance of the Supply and Non Conforming Goods

B.5.1 Acceptance of the Supply by Buyer is provisional throughout the whole warranty period. The valid condition for accepting the Supply is represented by the obtaining of positive inspections, checks, and tests by means of documents signed by Buyer. The acceptance becomes final after the warranty period has elapsed without any occurrence of claims, nonconformities, and defects raised by whomever.

B.5.2 Acceptance of the Supply and authorizations to ship the goods do not relieve Vendor neither from its own warranty responsibilities and obligations, nor from its contractual obligations for any defect, nonconformity, or flaw of whatsoever nature even if they arise at a later time with respect to the successful tests, inspections, and checks.

B.5.3 In case Vendor does not issue certifications compliant with the Order's requirement, Buyer may ask for the immediate cancellation of the purchase Order or request the immediate replacement of the Supply with a new one compliant and suitably certified even if Buyer has already successfully tested, checked, inspected the Supply. In such case the noncompliant Supply must be picked up at Vendor's cost; any direct or indirect cost shall be exclusively on Vendor's account.

B.5.4 In case of goods non conforming the prescriptions of the applicable Law and the content of the General Terms and Conditions of Purchase at points B.6 and C.1, Buyer shall notify Vendor by email or fax that not conforming products will be withheld and kept at Vendor's disposal for pickup. After 15 days from the notification, if Vendor has not picked up the non conforming goods, such goods shall be destroyed and charged to Vendor along with warehousing costs and any further expense or damage occurred.

### B.6 Packaging

B.6.1 Unless Buyer requires a special type of packaging in the Order, Vendor must provide proper packaging for the scope of Supply, keeping into consideration its nature and taking all appropriate measures to protect the scope of Supply from atmospheric conditions, corrosion, accidents during loading/unloading, accidents during transportation and warehousing, vibrations, thermal or mechanical stresses, etc. In any case the Supply must also be packaged, protected, marked, and prepared for delivery as follows: i) in compliance with good commercial practices, ii) prepared and packaged to be suitably transported with typical international shipping agents at the best rates, and iii) properly prepared and packaged to make sure the scope of Supply reaches its final destination without any problem.

B.6.2 In case Buyer requires a special type of packaging, Vendor must comply with all instructions provided by Buyer for the special packaging.

B.6.3 Vendor must mark all parcels, boxes, crates, goods, loose parts, etc and clearly indicate all instructions for handling and shipping. Particular attention shall be given to all those parts that require special care, and/or special shipment arrangements and/or special warehousing: in such cases the necessary precautions and instructions must be clearly reported on the outside of the packaging.

B.6.4 Vendor must label each parcel, box, goods, etc and report the following information them: Purchase Order number; Shipment Date, Sender's name and address, Recipient's name and address.

B.6.5 Vendor shall be fully responsible for any damage to the Supply or any extra cost incurred from incorrect packaging and/or wrong numbering/markings. Any cost for replacing and/or repairing the scope of Supply due to improper packaging shall be exclusively endorsed by Vendor, as are consequential damage and lost income.

B.6.6 If no other contractual terms are underwritten, Vendor must send to Buyer at the time of shipment, a complete document bearing the following details: i) complete information about the Order number, Order date, etc., ii) the complete sender's address and recipient's warehouse address iii) a detailed description of the Supply, iv) the total number of goods, parcels, boxes, crates, loose parts, etc being shipped, v) the gross and net weight of each piece as specified above, vi) the delivery terms, vii) the shipment date.

B.6.7 All packaging materials shall become Buyer's property and their cost is included and already fully accounted for in the purchase Order.

### B.7 Handling and Warehousing

B.7.1 Vendor must report all shipping, handling, warehousing, and preservation procedures of the Supply and its sub-parts, on a written document that must be sent to Buyer as soon as possible, and placed on the Supply.

B.7.2 Supply's weight and dimensions must consider transportation and handling constraints in force in the Countries where they occur.

B.7.3 Vendor, except if otherwise stated in the purchase Order, must warehouse and preserve the scope of Supply for 120 days from the date of Buyer's acceptance. Vendor must undertake all necessary precautions, perform relocations of the Supply, use raw materials and if necessary consumables to keep the whole Supply in perfect conditions and unchanged. All costs, including insurance and warehousing risks are included in the purchase Order price. Following the 120th day, warehousing terms shall be agreed upon between Vendor and Buyer, but warehousing risks shall be Vendor's responsibility.

### B.8 Delivery

B.8.1 Delivery dates and timing of the Order are indicated in the purchase Order and are of essential nature for this Order and can only be modified by written and signed consent of both Vendor and Buyer. Any tolerance of delays, and/or absence of Buyer's notification of delays before shipment, does not represent an acceptance of delays. The notification of delays may therefore occur at a time later than the delivery date.

B.8.2 Vendor's acceptance of the Order determines the irrevocable commitment to comply with the deadlines and the delivery dates stated in the Order.

B.8.3 Anticipated and/or partial deliveries are not allowed without Buyer's prior written permission. In any case Vendor shall have no right to any benefit in relation to anticipated and/or partial deliveries. Vendor shall adopt every reasonable measure to minimize possible delays and the consequences of delays on the delivery date(s).

B.8.4 The delivery terms and the obligations of both Vendor and Buyer shall be specified in the Order, always in accordance with INCOTERMS 2010 rules. If not otherwise specified, transportation is always at Vendor's risk. In any case Vendor must insure goods adequately until delivery point at Buyer's premises or at the destination agreed between Vendor and Buyer.

B.8.5 In order to keep deliveries on time, Vendor is required to communicate Buyer, by fax or email, the exact list of goods ready for shipping.

B.8.6 Vendor can deliver the Supply only after Buyer's provisional acceptance as specified at entry B.5.1.

### B.9 Transfer of Property and Transfer of Risk

B.9.1 Where not otherwise agreed in writing by Vendor and Buyer, the transfer of property occurs at the time the Supply is made available at the delivery site stated in the Order. Any note or claim related to property status raised by Vendor shall be void and null. Transfer of risk shall occur in compliance with the INCOTERMS 2010 rules applicable to the Supply. If no INCOTERMS 2010 rule is applicable to the Supply or if any is specified, transfer of risk shall follow the transfer of property.

### B.10 Price, Invoicing, Payment, Interests, Waivers

B.10.1 The applicable price for this Supply is the price reported in the purchase Order by Buyer or resulting from formulas underwritten by Vendor and Buyer on the Order. Said price shall always be intended as fixed, not subject to revision, increase, or adaptation resulting from variation in the currencies' exchange rates. If not otherwise underwritten by parties, the price of the purchase Order is inclusive of standard packaging and any other cost, risk, and profit related to the completion of the Order. No further cost or duties are allowed unless an agreement signed by Vendor and Buyer exist and is attached to the purchase Order.

B.10.2 Vendor shall send invoices to Buyer in accordance with the invoicing schedule of the purchase Order. All invoices shall bear the number and detailed reference of the purchase Order, with a clear reference to quantities, description, date and information of the shipping note, the price breakdown as reported on the purchase Order, and the Bank Account number and the IBAN code on which payment shall be processed. In compliance with D.L. 22/97 Vendor must write "Contributo Ambientale CONAI assolto" to observe the local regulations and/or environmental tax, for every Supply.

B.10.3 The required documentation, including delivery notes, must be attached to each invoice.

B.10.4 If not stated differently in the Order, Vendor must issue one invoice for each 'Invoicing Milestone' reported in the Order. All invoices must be sent by conventional mail to: MEMBRANE, via dei Martinitt 7, 20146 Milano or to the email address [invoices@membrane.it](mailto:invoices@membrane.it) Invoices found non compliant with the Order and/or its attachments are invalid and shall not be registered by Buyer.

B.10.5 Timing is the essential nature of this purchase Order, both in the completion of the scope of work and the delivery of its parts and services. Timing therefore assumes capital importance for goods, services, parts, spares, and documentation. Should documentation be late, even during the progress of the purchase Order, Buyer shall postpone payment dates of an equal number of days provided that faults, negligence and/or further omissions do not exist in which case liquidated damages and direct damages may be charged to Vendor's account.

B.10.6 Payment of any Vendor's invoice is subject to the complete fulfillment of the purchase Order's contractual obligations, as well as its compliance with all terms and prescriptions written in the Order, and also Buyer's written acceptance by means of inspection release notes, and/or verification of the goods, services, and documents supplied.

B.10.7 Any change that occurs during the Supply must be approved by Buyer with a written document signed, or such changes will not be acknowledged. Changes within +/- 3% of the purchase Order value are already included and accounted for in the Order price. Changes in excess of 3% shall be agreed upon and settled with a Change Order.

B.10.8 Payment terms are in any case by wire transfer, as indicated in the purchase Order. All payments shall be made 90 days from the invoice date receipt of the goods or services, at the end of the corresponding month, if not stated otherwise in the Order.

B.10.9 Prices reported in the Order include all costs necessary to complete the Supply in compliance with the procedures and directives stated in the Order. Throughout the whole Supply, all prices are fixed and not subject to escalations, modifications, amendments, corrections, not even if they arise from Cause of Force Majeure. The sole exception to the above is Buyer's request to change the scope of Supply: such request must be written, signed, and in the form of a purchase Order. Vendor accepts that that par. 1467, 1664 and 1495 of the Italian Civil Code are not applicable to the Order, also in relation to the costs of raw

## GENERAL TERMS AND CONDITIONS BETWEEN BUYER AND VENDOR, ALSO VALID FOR PURCHASE (T&C)

materials, workforce, and currency-related risks. Parties agree that par. C.9 applies to the notification of non-conformities and liquidated damage.

B.10.10 Prices stated in the Order include all markups and costs such as –but not limited to, design, engineering, procurement, negotiation, manufacturing, building, assembling, full Vendors' compliance to Buyer's specifications, documentation, inspections, tests, packaging, marking, shipments, invoicing, and all taxes, duties, fees, fares, bank costs, goodwill, risks, profits tied to the proper fulfillment and complete conformity with the purchase Order and its attachments.

B.10.11 In the event that a payment is partially processed and/or is processed ahead of time, such circumstance shall not represent Buyer's acceptance of the Supply or any of its parts. In case Buyer does not formally reject goods, such situation shall not limit in any way the warranties and guarantees that contractually bind Vendor to the Order.

B.10.12 Notwithstanding provisions of d.lgs. 9.10.2002 n. 231, and in consideration of the need for clarity in the multiple economic relationship between parties, as well as the need for a fair and simplified accounting and fiscal principles, in case of delayed payment whose cause is not due to a complaint on Goods or and/or the Supply, the interest rates applied shall not be higher than Euribor 1-month plus 1%.

### C.

#### C.1 Warranties

C.1.1 Where not otherwise stated in writing and signed by Buyer and Vendor, the latter shall guarantee for 24 months from the delivery date (referred to as Warranty) that the Supply is: i) compliant with the specifications, design, technical prescriptions, information provided by Buyer, and also compliant with all the requirements and conditions reported in the purchase Order; ii) well manufactured, free from evident or hidden defects and flaws, whether they appear evident in the design, manufacturing, raw materials used, or when operating the goods; iii) qualitatively suitable for the intended use requested by Buyer. Vendor is responsible for all parts necessary to the full and complete use of the scope of Supply, even if not expressly mentioned by Buyer.

C.1.2 Warranty applies to the Supply intended as a whole and each individual part making up the Supply, in a separate fashion. Warranty continues to be valid both as a requirement of the purchase Order and after each change, repair, or replacement.

C.1.3 During the warranty period Buyer shall inform Vendor in writing of any defect, malfunctioning, and nonconformity of the Supply. Vendor shall promptly repair or replace the Supply and/or correct the defect, at its own cost. Vendor must provide an additional warranty of 18 (eighteen) months for each replacement, repair, or correction performed during the warranty period, effective the day on which the replacement, repair, or correction has been successfully carried out and accepted by Buyer.

C.1.4 Should Vendor not satisfactorily replace or repair the Supply, or not correct the defect or malfunction, Buyer shall be entitled at its own arbitrary decision to: i) directly carry out the replacement, repair, or corrective action at exclusive Vendor's cost; or, ii) have such replacement, repair, or corrective action performed by third parties at Vendor's exclusive cost; or even iii) obtain a full refund from Vendor for the total amount of the purchase price paid for the flawed or defective Supply and return the Supply to Vendor.

C.1.5 Vendor accepts that the guarantees herewith specified shall be in addition to any warranty due by law or expressly provided by Vendor, in addition to those herewith specified and also in addition to any other warranty, either explicitly or implicitly stated which is applicable to the appertaining purchase. The warranty shall survive any inspection, test, acceptance, or payment made by Buyer, as well as any Order cancellation or any agreement related to the purchase Orders.

C.1.6 Vendor guarantees to make original spare parts and consumables available for the whole Supply and its parts for at least 60 sixty months from the date of acceptance of the Supply.

#### C.2 Intellectual & Industrial Property, Trademarks, Patents

C.2.1 Vendor guarantees that the scope of Supply and every part of it does not violate any patent, license, industrial right, industrial model or drawing, copyright, trademark, or any other intellectual and/or industrial right belonging to third parties.

C.2.2 Vendor guarantees to have full and complete right to use, work on, and sell everything comprising the scope of Supply, and to grant Buyer the fullest rights to use and resell the Supply.

C.2.3 Vendor must guarantee Buyer against any claim and/or action by third parties in case of violation statements regarding patents, licenses, industrial rights, industrial models or drawings, copyrights, trademarks, or any other intellectual and/or industrial right belonging to third parties, and shall commit to reimburse Buyer fully relieving and indemnifying Buyer from whatsoever request pretended by third parties by providing –at Vendor's cost, complete support and legal advice in case Buyer results involved in any legal action under the aforementioned circumstances. In any case Vendor commits to reimburse Buyer for any damage, loss, or prejudice suffered from a direct or indirect consequence of claims or actions described above.

#### C.3 Reserved and Confidential Information

C.3.1 All documents, papers, calculations, drawings, data sheets, machinery, goods, an anything else turned in to Vendor by Buyer throughout the whole Supply, whether they are i) supplied by Buyer, or ii) supplied by Vendor but paid by Buyer as part of the price reported in the purchase Order, shall be Buyer's exclusive property and shall be treated as confidential and reserved information belonging to Buyer.

C.3.2 Vendor commits to keep all goods and information described above strictly confidential and reserved and as Buyer's property. All such goods and information shall be handled by Vendor uniquely for the intended scope stated in the Order; Vendor must not disclose or release any related information or good without Buyer's prior written consent.

C.3.3 Any commercial or technical information, written or spoken, regarding the Order and its details is subject to Buyer's prior written approval.

C.3.4 Vendor is directly responsible for managing and using all documents, data sheets, technical papers, calculations, drawings, machinery, and anything else turned in by Buyer to Vendor throughout the whole Supply, both internally towards its own employees and/or workforce, and externally toward third parties with whom Vendor entertains commercial or technical relationships.

#### C.4 Informations on the way personal data are managed (art.13 "European Regulations 2016/679 dated April 27 2016 (GDPR) concerning the protection of persons and data circulation (cancels EU directive 95/46/CE).

C.4.1 Buyer informs vendor on the scope and the modalities in which personal data belonging to physical persons are managed, in accordance to GDPR, and the corresponding rights appertaining to such scope and modalities.

C.4.2 Buyer manages personal data belonging to physical persons exclusively for the following scopes: Contractual scopes; Scopes appertaining the definition and management of

contractual relations; Administrative scopes, appertaining the management of administrative relationships which are related to an open contractual relationship.

C.4.3 Buyer minimizes the collection and treatment of personal data to the minimum essential With respect to the intended scope. Data may be managed either in the written or electronic formats. Buyer, upon evaluation of risks and where applicable With regard to the impact of personal data protection related to the loss of scopes of privacy, availability and integrity of the handled information, plans and adopts the necessary technical or organizational measures to minimize such risks. Such actions are set up also to the goal of guaranteeing the resilience of the data handling carried out within a more general need to ensure the continuity of the services provided.

C.4.4 The disclosure of personal data for contractual scopes is necessary to properly set up and manage contractual relationships. The denial to use and dispose of personal data determines the impossibility to set up and maintain contractual relationships.

C.4.5 Buyer does not divulge or communicate to third parties Vendor's personal data for scopes outside those mentioned above. For confidentiality reasons, in fact, sata appertaining to Customers, projects, technical contents, names of people and/or companies and locations cannot be divulged by vendor to third parties. The sole information that can be divulged to third parties within the limitations described above, are those technical data strictly necessary to the achievement of the scope of supply.

C.4.6 Buyer may use third parties to manage your data within the modalities described above. Such third parties may include for example: suppliers of technical services on IT systems, tax lawyers, etc. In such case Buyer shall use Vendor's personal data by communicating them to the third parties mentioned above exclusively to perform the activities that are strictly related to the scopes defined above and in conformity with the suitable technical and organizational measures of data protection.

C.4.7 Buyer, as the owner of data protection, informs about the rights that GDPR confers upon Vendor, being Vendor the entity involved in data protection. Such rights are listed in Art. 13 of GDPR and concern: the right of a party to ask the data protection owner to access data; the right of a party to ask the data protection owner to rectify or delete data or limit the use of data; the right of a party to oppose the use of data; the right of a party to ask for data portability; the right of a party to raise a claim to a control authority.

C.4.8 Buyer stores all personal data in accordance to the following criteria: Respect of requirements applicable during the validity of the existing contractual relationship; Respect of administrative and fiscal requirements as per the applicable laws.

The owner of the personal data management policy is Buyer, who is located in Milano, Italy - Via dei Martinitt, 7. Any request for information concerning the way Vendor's personal data is managed and the application of your rights according to Art. 13 of GDPR, can be addressed to the following email address: [info@membrane.it](mailto:info@membrane.it)

#### C.5 Privacy

C.5.1 In compliance with the EU regulation 2016/679 (GDPR) and any other rule in force at the time the Order is issued, which rule how private data is handled, Buyer and Vendor mutually acknowledge that data provided by either party may only be managed under the provisions and rules described above, by respecting the reciprocal privacy and confidentiality.

C.5.2 Data management consists in recording, organizing, archiving, and other operations permitted by the ruling laws. Such data may only be used to achieve the scope of the Supply within the purchase Order.

C.5.3 Management of data may occur on paper, or in electronic format provided that access is adequately controls by means of a password.

C.5.4 For confidentiality reasons, data related to the Final Customer, the Project, the technical content, name of persons and/or companies, and locations related to the project cannot be disclosed by Vendor to third parties. Only technical data, strictly limited to those needed to fulfill the Order's obligations, can be disclosed to third parties under the provisions set above.

#### C.6 Transfers of Credit and Factoring Contracts

C.6.1 Vendor expressly accepts that credits resulting from fulfillment of this purchase Order cannot be transferred to third parties in compliance with Art. 1260, second par. of the Italian Civil Code. Credits cannot be disposed of by creditor, not even with the scope of constituting a guarantee; neither can credits be cashed by entities different from the creditor that the creditor might have vested of legal and/or representative or managing power.

#### C.7 Statutes, Ruling, Taxes, and Customs

C.7.1 Throughout the whole course of the Supply, Vendor must rigorously comply with all applicable Laws, decrees, and other Italian Laws or Laws in Vendor's Country of origin (including those Laws enforced by municipal or local authorities). If reported in the Order, Vendor must also comply with the additional Country's or Countries' Laws as specified in the Order itself. CE marking and certificate must always be provided.

C.7.2 Vendor must submit all necessary requests to local Authorities and pay all costs, fees, taxes, and damages of whatsoever nature that may be applicable to the Supply in Italy and in the Country of origin, by relieving Buyer from any responsibility and/or cost.

C.7.3 Vendor must indemnify Buyer from all costs, fees, taxes, and damages of whatsoever nature in which Buyer may incur as a result of Vendor's lack of compliance and/or timely payment of any duty in Italy or in Vendor's Country of origin including those duties resulting from local or municipal Laws.

#### C.8 Force Majeure

C.8.1 In the event of Force Majeure Vendor and Buyer shall not be responsible for delays and/or missed completion of the activities required by the purchase Order, within the sole requirements directly affected by the cause(s) of Force Majeure.

C.8.2 Vendor and Buyer agree to define the causes of Force Majeure as events beyond control and/or that cannot be reasonably foreseen, such as, for example: earthquake, flooding, war, civil war or alike. All strikes, –with sole the exclusion of nationwide strikes, do not represent a cause of Force Majeure.

C.8.3 In the event of Force Majeure obligations concerning the delivery schedule shall be extended by a lapse of time equal to the delay caused by the event of Force Majeure. Vendor shall endorse all the expenses for additional costs and damages resulting from such event, and cannot claim to Buyer reimbursements or compensations of whatsoever nature.

C.8.4 If Vendor is hit by a cause of Force Majeure, it must inform Buyer immediately in writing –in any case not later than 7 (seven) days from the date of first occurrence of Force Majeure, and must describe the situation and consequences foreseen at that time. At the earliest possible time, after the first written notification Vendor must provide detailed information on the Supply status in Order to make it possible to perform accurate evaluations of consequences on the Supply.

C.8.5 Any cause of Force Majeure that is not notified in writing by Vendor as described above, shall not be taken into consideration.

C.8.6 In case of Force Majeure Vendor must take all necessary actions with the utmost care and diligence to minimize impacts on the delivery schedule and the regular completion of the Supply.

**GENERAL TERMS AND CONDITIONS BETWEEN BUYER AND VENDOR, ALSO VALID FOR PURCHASE (T&C)**

C.8.7 Buyer reserves the right to cancel the Order if the cause of Force Majeure endures for more than 15 solar days. In this case Vendor shall not be entitled to any indemnification as a result of the cancellation of the Order, except for the value of the goods and services performed until that time, if they are of interest to Buyer. In any case no compensation for lack of profit shall be recognized.

**C.9 Subsupplies**

C.9.1 Vendor shall not place Orders to any subsupplier directly or indirectly at any level, regarding the scope of Supply or any of its parts, without Buyer's prior written full approval. Vendor must indemnify and keep Buyer relieved from any claim of reimbursement on behalf of its subsuppliers, subVendors, or subcontractors.

C.9.2 Vendor must complete the Supply in conformity with the list of approved subVendors, if Buyer provides a list of names of subVendors for the Supply.

C.9.3 Immediately after placing the orders to its own subVendors, Vendor must provide an unpriced copy of such suborders, whenever requested by Buyer.

C.9.4 Raw materials, goods, and services purchased by Vendor from subVendors are subject to the very same inspection and test procedures (including quality audits) as if they were supplied by Vendor.

C.9.5 Buyer's approval shall not relieve Vendor from its responsibilities, as reported in the purchase Order.

**C.10 Backcharges and Liquidated Damages**

C.10.1 If Buyer submits to Vendor a request to correct a work or a Non-Conformity Report within the Order -even if it is for the packaging and/or labeling, and Vendor does not perform the corrective action requested by Buyer within 15 days, Buyer shall notify Vendor in writing that will begin backcharging costs to Vendor, and then proceed to independently redesign, rework, or replace the nonconformities by adopting the quickest way available. Vendor shall be charged with all resulting costs and/or damages in which Buyer has incurred.

C.10.2 Effective the date of notification of backcharge, Buyer shall charge Vendor with the entries reported below just as mere examples not to be considered comprehensive:

- a) Labor costs, including all social security duties, and compensations of personnel wherever applicable;
- b) Manufacturing costs, including raw materials, consumables, construction of goods, and shipment;
- c) Subcontracting costs, placement of Orders with subVendors in direct relation with the corrective actions;
- d) Rent of tools and equipment at higher rates, within the area where the Supply is being carried out and/or installed;
- e) Administrative, supervision, and management costs related to the corrective actions not performed by Vendor;

C.10.3 Buyer shall proceed with the corrective actions and works independently from the Vendor's written approval of the notification mentioned in paragraph C.9.1.

C.10.4 In case Buyer is forced to remind Vendor take the corrective actions Buyer is legitimated to post liquidated damages quantified as 0.50% (half of one percent) of the Order's value at every recurrence, and such liquidated damages are cumulated with other liquidated damages, provided that Buyer does not suffer from greater damages as a result of Vendor's lack of compliance.

C.10.5 Buyer shall arbitrarily invoice all damages and costs in execution of the Supply, or alternatively seize the equivalent amount(s) by enacting financial compensations with payments due to Vendor as a result of the Supply. The backcharges shall not prevent Buyer from backcharging further amounts or invoke other potential rights and remedies foreseen by the Order or the applicable Law. Payment of backcharges shall not relieve Vendor from any further responsibility stated in the Order or the payment of larger damages suffered by Buyer as a result of Vendor's lacks of compliance (not limited to guarantees explicitly or implicitly declared, standards of quality specified, contractual obligations or indemnifications, and timing of the contract).

C.10.6 Being timing and precision the essential requirements to complete the Supply, both for the goods or services and the required documentation 'for construction' and 'as built', the delays in performing the Supply are subject to liquidated damages. Liquidated damages for delayed goods or services are quantified as 2.5% of the Order value for each week of the delay or part thereof, up to the maximum aggregate value equal to 10%. Liquidated damages for delayed documentation are quantified as 0.5% of the Order value for each week of delay or part thereof for each document during the Supply, and 2.5% of the Order value for each week of delay or part thereof for each 'as-built' document, up to the maximum aggregate value equal to 10%. Liquidated damages cumulate with other damages and/or larger damages suffered by Buyer.

**C.11 Responsibility, Insurance, Indemnification**

C.11.1 Vendor shall be held exclusively responsible toward Buyer, as well as its employees, collaborators and related people, and also toward third parties, for any damage to people, property, or other material damage and any other third party for any damage to people, property, or other kind of material damages, loss, or prejudice caused by Vendor's and its personnel's fulfillment of the obligations following from this Order, by its agents or subsuppliers.

C.11.2 Vendor commits to provide -within the provisions set by the Law and/or upon Buyer's request, evidences that prove the origin and perfect compliance of the Supply to the Law.

Such compliance is represented for example -but not limited to, declarations of conformity, declarations on labor, certifications of third-party analysis labs, list of hazardous chemicals in compliance with REACH laws 1907/2006, and a detailed note on the conditions and precautions to take when using and handling such substances as well as the risks connected to improper use.

C.11.3 Vendor guarantees right from the start that its Supply and/or Goods are in full compliance with the applicable Law and come from a legal origin.

C.11.4 Vendor declares to relieve and indemnify Buyer and its employees, collaborators and related people from any request of damages, losses, or other pretended action for harms, damages to property or goods as a consequence of Vendor's conduct or its personnel, agents, subcontractors while executing the Order as well as any damage (material or immaterial) direct or indirect stemming from any possible reason, directly or indirectly from the Supply, including any third-party claim which might come from violations of the provisions above and the Law, including legal expenses. Within the warranties provided by Vendor, it is Buyer's right to raise claims against non conformities found in the Supply within 60 (sixty) days from their discovery. In order to comply with the above Vendor must subscribe suitable insurance contract(s) to cover every responsibility that might arise, in compliance with the paragraph before. Copy of the contract must be turned in to Buyer upon request, within 10 days from the acceptance of the Order.

**C.12 General Rules**

C.12.1 Partial nullity. In case one or more paragraphs in this Order are -for whatever reason, null, void, illegal or inapplicable for any motivation, they shall be treated as not written and such condition shall not affect in any way the applicability and validity of the rest of this purchase Order.

C.12.2 Compliance with laws and rules. Vendor commits to fully comply with any applicable law, decree and rule issued by local authorities or other authorities, and every standard or rule issued by private or public organizations concerning the Supply and the fulfillment of the Order and the related activities. Vendor, in particular, shall bear the economic and/or administrative consequences suffered from Buyer as a consequence of Vendor's lack or lack of compliance by its employees, its agents, and its manufacturers, with such laws, decrees, rules, and other regulations cited above.

C.12.3 Acquiescence. Either Vendor's or Buyer's declared intention to waive its own rights due to lack of fulfillment of either party, shall not represent a waiver for any following lack of fulfillment. If either party does not enforce any given condition or requirement in this Order, it does not represent a waiver of any condition or requirement and shall not limit the right to enforce them thereafter.

C.12.4 Transfers of the Order. The Order cannot be transferred to anyone without prior Buyer's written full approval.

C.12.5 Validity. T&C shall govern the contractual agreements and Orders for 24 months after the signing date and applies to any Order or Change Order awarded to Vendor thereafter. After the first 24 months have elapsed, T&C are automatically renewed for periods of 12 months each, continuously. If Vendor intends to withdraw from the T&C, Vendor must send a registered letter to Buyer at least 6 months before T&C expiration date. In case Orders are awarded to Vendor after T&C's signing date, such T&C shall be valid for the whole duration of the warranty of goods and/or services supplied.

C.12.6 Internet Access. Vendor must make available to Buyer an internet connection featuring a suitable speed to send and receive photographs, movies, and documents.

**C.13 Safety and Ecology**

C.13.1 Buyer attributes a fundamental deal of importance to safety, and a great deal of value to the environment and the respect of earth's ecosystem. Buyer will stress and illustrate to Vendor the importance of safety, including giving short presentations and performing periodic checks that safety to make sure that sufficient safety measures exist to safeguard Buyer's own personnel as well as Vendor's. Should Buyer issue a safety warning against Vendor and Vendor does not correct it immediately, Buyer may cancel the Order.

C.13.2 Vendor and its personnel (either hired, temporary, or outsourced) declare that they are fully aware of the outstanding regulations on safety in Italy and any Country where the scope of Supply is carried out, and must fully comply with a special care to safeguard the health, safety, and the environment, by wearing the personal protection equipment (PPE) and by putting in practice all operations, dispositions, and procedures require by Law. Vendor must fulfill all requirements at its own expense to achieve the completion of the scope of Supply in respect of its requirements. Any cost associated with the personal protection equipment is included in the price of the Order.

C.13.3 In case Vendor employs equipment or personnel during the Order that cause damages to people, properties, or the environment due to negligence in complying with the outstanding laws and regulations, Vendor shall be considered fully and exclusively liable for such conduct. Vendor must relieve Buyer from any responsibility, claim, action engaged by any third party.

**C.14 Applicable Law and Court**

C.14.1 The Court of Milano (Italy) is elected exclusively the place where shall be settled any controversy arising from the interpretation and/or the existence, the effectiveness, the execution, the resolution of the General Terms and Conditions of Purchase of this Purchase Order, including matters concerning payments. The General Terms and Conditions of Purchase and any matter ongoing between Vendor and Buyer shall be subject exclusively to the Italian Law.

VENDOR stamp, signature \_\_\_\_\_

date \_\_\_\_\_

Under the provisions and the effects of artt. 1341 e 1342 cc, Parties declare to be willing to enter this agreement and specifically approve, after careful reading, the content of the following articles: A.1 – Definitions; A.2 – Orders; A.4 – Order Confirmation; A.7 – Order cancellation and impossibility to perform within terms; B.3 – Inspections, Verifications, Tests, Samplings; B.5 – Acceptance of the Supply and Non Conforming Goods; B.6 – Packaging; B.8 - Delivery; B.9 – Transfer of Property and Transfer of Risk; B.10 - Price, Invoicing, Payment, Interests, Waivers; C.1 – Warranty; C.3 - Reserved and Confidential Information; C.5 - Transfer of Credit and Factoring Contracts; C.8 - Subsupplies; C.9 - Backcharges and Liquidated Damages; C.10 - Responsibilities, Insurance, Indemnifications; C.13 - Applicable Law and Court.

VENDOR stamp, signature \_\_\_\_\_

date \_\_\_\_\_