

TECHNORIUNITE SRL GENERAL CONDITIONS

- 1) CONTRACTUAL REGULATIONS. These general conditions, except for any modifications or exceptions agreed to in writing, govern all sales contracts between TECHNORIUNITE SRL and the Customer, therefore the contract concluded with the acceptance of this order and any future contract related to the supply of materials and/or services of TECHNORIUNITE SRL ordered with subsequent and distinct purchase orders; moreover, these conditions together with all those included in the TECHNORIUNITE SRL contract will fully prevail over any different condition provided for or referred to by the Customer. Changes to the general conditions of sale, transactions, credits or discounts granted by our Agents or other intermediaries are not valid if not accepted in writing by the Financial Administration of **TECHNORIUNITE SRL** and in any case are limited to the contracts to which they refer. Indeed this document must be
- considered for all effects as a purchase offer.

 2) SUBJECT OF THE SUPPLY CONTRACT. The supply includes only the services, materials and quantities specified in this contract or in other written communications from TECHNORIUNITE SRL. The receipt or withdrawal of the material supplied will be understood as its acceptance by the Customer. The Customer is aware that the work entrusted to TECHNORIUNITE SRL creates waste
- 3) WARRANTY OF MATERIALS, LAYING AND ARBITRATION CLAUSE. The first-choice materials are guaranteed in compliance with UNI-NF-UPEC standards currently in force. Any warranty for defects therefore remains expressly excluded for second- and third-choice materials or overstock or occasional items. The warranty is limited to the first-choice materials, with a tolerance of approximately 5% (five percent). Any warranty for defects therefore remains expressly excluded for second- and third-choice materials or overstock or occasional items. In consideration of the high quality of the materials, variations in colour represent an additional element of value. These differences cannot therefore be claimed as a defect in the material. Under penalty of forfeiture, any complaints or disputes must be communicated by registered letter exclusively to the registered office of **TECHNORIUNITE SRL** - Castellarano (RE) before laying the materials, and in any case in accordance with the law. TECHNORIUNITE SRL also guarantees, according to the law, that the laying of the floor and/or wall tibes will be performed professionally. Without prejudice to the provisions of point 5, no liability can be attributed to TECHNORIUNITE SRL if any defects arise from settlements of the property or other movements and twisting of the floors or structure due to subsidence, landslides and similar phenomena, from defects in the substrates or systems, from early or improper use of the floor and, in general, from any other phenomenon that cannot be linked to the mere laying of materials and/or work carried out by TECHNORIUNITE srl. The Customer therefore agrees that the liability of TECHNORIUNITE SRL will be limited exclusively to defects or faults associated with the simple activity of installation, therefore normal working tolerances cannot be the that the liability of IECHNORIUNITE SRL will be limited exclusively to derects or raulis associated with the simple activity of installation, therefore normal working tolerances cannot be the subject of dispute. Given the lack of national regulations on the matter, any disputes concerning the levelness of the tiled surfaces will be managed by carrying out checks according to the laying instructions in UNI 11493:2013 and annexed explanatory sheets. In particular, with reference to the materials directly purchased by the Customer and delivered for laying by TECHNORIUNITE SRL, no liability will be borne as a result of faults or quality defects in the materials, even hidden, and defects of installation caused by these, and this in exemption to the disposition of art. 1663 of the Italian Civil Code, taking into account the obligation of preventive verification assumed by the Customer and the inversion of the risk related to hidden defects or faults hereby agreed. Both for the materials and for the installation, every question concerning the ascertainment of the right to the warranty, the determination of the damage and its quantification that cannot be resolved amicably by the parties will be subject to the independent arbitration of a single arbitrator, to be constituted and carried out according to the
- rules of the Ceramics Court of Arbitration established at the Bologna Ceramic Centre, which the parties declare to accept unconditionally and without possibility of appeal.

 4) TERMS OF DELIVERY OF THE MATERIAL. The term for the performance of the supply contract must be understood to be favourable to both parties. Unless pertinent clauses are specifically added, it must normally be considered to be purely indicative and not essential. When changes have been made to the contract, the term is extended for a period equal to what was originally established. Any event of force majeure suspends the deadline for its entire duration. If, as a result of events of force majeure, the contract cannot be executed within 60 days after the agreed term, each of the two parties will have the right to withdraw from the contract. In this case the declaration of withdrawal must be sent to the other party by registered letter with return receipt within 10 days after the expiry of the aforementioned 60 days, excluding any right to indemnities or compensation. If the contract also provides for the supply of materials for the floors/walls, their delivery conditions will be ex works.
- 5) RETENTION OF TITLE. In the event that the payment must be made in whole or in part after delivery due to contractual agreements, the delivered products remain the property of TECHNORIUNITE SRL until full payment of the price; in the event of partial or total failure to pay, the Customer's use of the products constitutes their illicit misappropriation.
- SOLVE ET REPETE. No exception, except for those of nullity, annullability and termination of the contract, can be claimed by the purchaser in order to delay or avoid payment.

 VERIFICATION OF THE MATERIAL BY THE CUSTOMER. The laying of the tiles will take place after verification by the Customer of the conformity of the material with the provisions of this contract of supply and the absence of faults or obvious quality defects.
- The Customer is therefore required to perform this verification **before the laying** of the material. Failure to comply with this obligation and in any case the laying of the material without reservations raised in writing by the Customer means waiving any action against **TECHNORIUNITE SRL** for any non-compliance of the material, obvious faults or quality defects, and in any case constitutes a forfeiture of any related actions.
- 8) SUBCONTRACTING TO THIRD PARTIES. The Customer hereby authorises TECHNORIUNITE SRL to wholly or partially subcontract the installation work to a company authorised by it,
- 9) ADMINISTRATIVE AUTHORISATIONS. The Customer represents and warrants that it has already requested/obtained the necessary administrative authorisations, thereby relieving TECHNORIUNITE SRL of any liability.
- 10) PAYMENT. The Customer cannot make any objection to TECHNORIUNITE SRL in order to delay or avoid payment of the consideration at the agreed deadlines indicated in this supply contract. This includes but is not limited to an objection for imperfect execution, a delay in the start or completion of the work, etc., without prejudice to its right to separately request restitution and/or compensation, the action remaining expressly subject to the full payment of the consideration. This without prejudice to point 5.
- 11) AMENDMENTS. If, during the execution of the contract, it is necessary to make changes, the parties commit to agree on the amendments in writing.

 12) INTEREST ON DELAYED PAYMENT. In the event of late payment, the sum due by the Customer will accrue interest equal to the current TUS (Tasso Ufficiale di Sconto) rate, plus six ercentage points
- 13) COORDINATION OF PROTECTION AND PREVENTION ACTIVITIES. Before starting the work, the contractor and the customer will have to meet in order to cooperate in the implementation of measures to prevent and protect against work-related risks, accidents during the job in question and to coordinate the protection and prevention of risks to which workers are exposed, informing each other also in order to eliminate risks due to interference between the work of the various companies involved in the execution of the overall project. During the execution phase, Technoriunite has the right to temporarily suspend work activities when they can create serious danger for people and things. In this case the work can only be resumed after the dangerous situations have been eliminated. During such suspensions the Customer will not be entitled to any compensation.

 14) ARBITRATION CLAUSE. With the exception of disputes concerning the payment of the price and the related actions exercised by means of summary judgement or in ordinary proceedings, which remain under the jurisdiction of the Italian court, and of the disputes referred to in point 3), any other dispute that may arise regarding the conclusion and/or execution.
- and/or resolution and/or interpretation of this contract will be judged by a panel of three arbitrators, one appointed by each of the parties and the third by mutual agreement or in case of disagreement by the President of the Chamber of Commerce of Reggio Emilia, at the request of the party that is first to act. The party who intends to initiate the arbitration must notify the other by registered letter containing the appointment of its arbitrator and its acceptance. The other party will have to appoint its own arbitrator within 15 days from the date of receipt of the registered letter, communicating this appointment and its acceptance within the indicated deadline. Failing that, the other party may request the appointment of the second arbitrator by the President of the Chamber of Commerce of Reggio Emilia. The arbitrators will decide according to the law and in compliance with the principle audi alteram partem; the arbitration award must be determined within 90 days from the date of acceptance of the last arbitrator. The arbitration will take place in Reggio Emilia.

 15) INTERPRETATION OF THE CLAUSES. The general conditions listed above must not be intended as pure formalities. They are effective and faithfully represent the parties' willingness
- 16) JURISDICTION. The Court of Reggio Emilia has exclusive jurisdiction for all disputes concerning the payment of the price and for all the related actions exercised in summary judgement or in ordinary proceedings
- 17) Contractual clause Italian Legislative Decree no. 231 of 2001: The Customer commits to comply with current legislation and declares, in particular, to be aware of the contents of Italian Legislative Decree no. 231 of 2001 (Administrative liability of legal entities, companies and associations also without legal status, pursuant to article 11 of Italian Law no. 300 dated tatilian Legislative Decree no. 231 of 2001 (Administrative liability of legal entities, companies and associations also without legal status, pursuant to article 11 of italian Law no. 300 dated 29 September 2000). Consequently, the Customer is required to refrain from any unlawful conduct related to offences governed by the aforementioned law, regardless of whether the crime was actually committed and investigated or not. Furthermore, the Customer declares awareness of the Company's Code of Ethics - published on the Technoriunite website at www.technoriunite.it - and a commitment to comply with it. If the Customer does not comply with this obligation, Technoriunite will consider this circumstance as a breach of trust on which the relationship between the parties is based and a serious infringement of these conditions, and may exercise the right to immediately terminate the agreement pursuant to art. 1456 of the Italian Civil Code - as envisaged in the Company document called "Penalty system" - as well as obtaining a fair amount to be determined as compensation for any damage sustained.