

GENERAL CONDITIONS OF SALE

1 - OFFERS, ORDERS AND ADVANCE PAYMENTS

The offers of the seller Ceccato S.p.A. or its Agents are provided for informational purposes only and do not bind the seller in any way. Acceptance of offers, orders or commissions remain exclusively offers to purchase and become effective and binding for the seller only when the latter has accepted them by sending the order confirmation to the customer. The customer's orders shall remain valid and shall be irrevocable for a period of one hundred and fifty days from the date of their receipt. If the seller does not intend to accept the customer's order, the advance payments will be returned without increased interest. In the event that the order is revoked by the customer after the seller's acceptance has been sent, the latter reserves the right not to accept the revocation and in any case the advance payment shall remain in their possession, by way of compensation, without prejudice to each of its major and other rights.

2 - MODIFICATIONS TO PRODUCTS

The characteristics of the products displayed in the seller's catalogues, offers and commissions constitute a summary. The seller reserves the right to make changes to its products without obligation to notify the customer and without obligation to modify items already sold or under construction.

3 - COMPLAINTS

Ceccato S.p.A. will not take into consideration any complaint from customers who have been given a notice of default for payments for goods and services provided by Ceccato S.p.A. Once this default has been remedied, the complaints will be examined with retroactive effect. Complaints contesting the correspondence of the goods received with respect to the one ordered must be sent to the seller by registered letter within 8 days of receipt of the goods, under penalty of forfeiture. The malfunction of the plant must be reported within 30 days of discovery, under penalty of forfeiture, in compliance with Article 1512 of the Italian Civil Code.

4 - PRICE

The price is intended net and for delivery ex-works EXW, as per incoterms 2020, of the seller in Grisignano di Zocco (Vicenza) Italy, unless otherwise agreed. The date of the agreement must be understood as the date of the order confirmation. If between the date of the order confirmation and the availability of the machinery the list price has increased more than 5% without prejudice to the other price list variables, and provided that the seller has communicated this increase to the purchaser by means of registered letter with return receipt, both parties may exercise the right to withdraw from the agreement by communicating it by means of a registered letter with return receipt within 5 days of receipt of the communication of the price change.

5 - DELIVERY

The delivery of the goods is agreed at the seller's plant in Grisignano di Zocco (Vicenza) Italy unless otherwise agreed. The expiration of the delivery term starts from the date of the order confirmation, unless otherwise agreed in writing. If the order refers to non-standard systems or in any case systems with characteristics that are different from those of the series products listed in the seller's price list, the purchaser must provide all suitable elements to clarify, without any possibility of doubt, the required features. In this case, the delivery period will not become effective until the moment in which the seller has received the precise data necessary to clarify the purchaser's wishes and has accepted them. The delivery date must always be understood with the exception of unforeseen circumstances. In no case does the delay by the seller in the delivery of the goods entitle the purchaser to request the termination of the agreement nor to claim compensation for any reason that has not been expressly agreed in the agreement itself. Only in the case of excessive burden of the seller's obligation, pursuant to art. 4, shall the purchaser be entitled to request the termination of the agreement in any case without being able to claim compensation of any kind or nature, without prejudice to the return of the advance payments paid without higher interest. The purchaser can collect the goods within the established deadline of 10 days from the day the goods are made available. In case of failure to collect within this period, the seller will be entitled to request either the performance of the agreement or its termination due to default by the purchaser and, in the latter case, the advance paid by the purchaser will be acquired by the seller by way of compensation. The goods always travel at the purchaser's risk even if shipped in DPU-DDP-DAP as per incoterms 2020. Any delay in the actual delivery by the carrier does not enable the purchaser to delay the agreed payment. The seller makes a commitment, also in relation to the delivery deadline, with the exception of the occurrence of accidents or force majeure that prevent the fulfilment or delay the timely execution of the commitment, as well as, even if not constituting accidents or force majeure, except for mobilisation, requisitions or provisions for blocking, even partial, of the seller's processing materials

or industrial products, strikes, breakdowns of its industrial plants or suspension of processing due to the lack of motive power, fires or floods, impediments or slowdowns in the transport of raw materials or particular components of the machines, even if not particularly influential on the acquired supply, labour conflicts in the supplying countries and any other fact or difficulty that disturbs the regularity of production.

6 - PAYMENT OF THE PRICE

Failure to pay even a single instalment, total or partial, lasting for 10 days from the deadline, will authorise Ceccato S.p.A. to terminate the purchase agreement in compliance with art. 1456 of the Italian Civil Code by withdrawing the goods and withholding any advance payments received. If the agreement is retained, the debtor will forfeit any benefit of the terms and will be charged for any discounts granted. In the event of delayed payment, the increased interest will be due to the seller in compliance with art. 5 of Legislative Decree 231/02. The calculation and the consequent charge of the interest to the purchaser will start from the expiration date agreed and not met by the purchaser themselves. When the purchaser is given the right, as foreseen in the agreement, to obtain upon expiration the renewal of part of the bills of exchange issued to cover the price and interest, the purchaser must deliver the new bills at least 15 days before the expiration of those previously issued. Failing this, the seller may demand the concurrent and immediate payment of the latter, deeming the purchaser under forfeiture from the benefit of the renewal. The seller reserves the right to suspend the supply in the event of non-payment of another and previous supply.

7- RETENTION OF TITLE

The goods are sold with the clause of retention of title pursuant to and for the effects of articles 1523 et seq. of the Italian Civil Code, so that the ownership of the goods supplied will pass to the purchaser only when the full price has been paid by the same and in the case of payment in instalments, the title will pass to the purchaser only after payment of the last instalment. In the event of non-payment of even a single instalment, the seller will be entitled to consider the agreement terminated in compliance with art. 1456 of the Italian Civil Code by withdrawing the goods supplied and without being required to return the instalments already paid, which they will retain as damage for the use and possession of the goods supplied, without prejudice to the rights to liquidation of the greater damage for the state of the goods upon restitution. The supply is also understood to be carried out with the clause referred to in art. 2762 of the Italian Civil Code. In the event of foreclosure, seizure and any executive or conservative action, the purchaser must immediately notify the seller and notify the judicial officer of the existence of this retention of title agreement. The purchaser may not, until the price has been fully paid, exercise any act of domination over the goods supplied to it by the seller, let alone alienate or remove them, unless authorised in writing by the seller, from the location where they are installed. The purchaser also undertakes to notify the owner of the property in which the goods will be installed of the retention of title to which said goods are subject, meaning the seller is relieved of any liability towards said owner in the absence of such notification. The purchaser will assume responsibility for the custody, preservation and use of the goods; they will also be responsible for accidental occurrences such as fire, theft, etc., for which the same undertakes to provide for the insurance of all risks of the goods and to take out third party liability policy towards third parties. The seller remains entitled to send its staff to check the possession of the goods under the agreed conditions or to carry out any other survey deemed necessary. In any case, the purchaser undertakes to do what is necessary in order to facilitate and allow the seller to meet the obligations and practices necessary to make such retention of title effective and enforceable against third parties.

8 - TESTING AND ASSEMBLY

The on-site assembly of the equipment and systems is excluded from the supply, unless otherwise agreed. Also excluded from the supply are masonry, water and electrical work, the laying of pipes and similar work and in any case any work and expense necessary for the operation of the equipment sold in the premises indicated by the purchaser. Under conditions to be agreed, the seller is able to make assembly personnel available to the purchaser; the performance of such personnel must lead to the correct functioning of the products supplied and do not imply, on the contrary exclude, anchoring the product to the masonry as well as checking or the seller's approval of the operation of the remaining parts of the plant or of the plant as a whole. The assemblers made available to the seller may not be employed except exclusively for work envisaged in the order confirmation or explicitly authorised from time to time by the seller. Any work requested and carried out outside the finished product, even if envisaged in the order confirmation or explicitly authorised, even if carried out with parts supplied by the seller, its assemblers or its agents and even if such work is at the service of the product supplied by the seller, must be directed or supervised by the purchaser's personnel who take over the direction of the work and consequently have full and total responsibility for compliance with building, engineering and accident prevention laws and regulations. The goods are tested in the seller's factory before shipment. Should the purchaser wish to have the test carried out in the place of installation, they must make an express request to

the seller no later than 15 days from the installation and all costs relating to the test shall be borne by the purchaser. The goods supplied by the seller, stored with the purchaser awaiting installation, are considered, for the sole purposes of civil liability, in the custody of the same purchaser and therefore the civil liability is exclusively borne by the same. In any case, Ceccato SpA, even when performing construction or plant engineering work, will not be called upon to operate in order to obtain the appropriate administrative and legal authorisations and certifications, which remain the responsibility of the purchaser and in any case any construction activity will be accepted under the responsibility of the purchaser. Ceccato S.p.A assumes no responsibility for the quality and characteristics of the waste water of the washing systems supplied, which must be treated by the purchaser in compliance with the law. The purchaser declares to be aware that the washing system without a purifier is polluting and contravenes the relative laws. As far as the noise level of the system is concerned, this is indicated in the use and maintenance manual and its installation in particular locations could contravene pre-established legal limits. The purchaser will undertake to comply with any legal limitations by implementing all the necessary precautions (outside the plant). Ceccato spa is available to provide the purchaser with all the information necessary to prevent the production of any pollution.

9 - GUARANTEE (General Conditions)

Ceccato SpA guarantees the perfect workmanship of its products for the quality of the materials used in the production and guarantees, for a period of twelve months from the date of delivery (indicated on the transport documents) of the goods or, in any case, from the date the goods are made available if they are not collected on the agreed date, to repair or redo free of charge, EXW as per incoterms 2020 of its factory in Grisignano di Zocco (Vicenza), Italy, those supply parts that are acknowledged as defective; however, any compensation or indemnity to the purchaser for expenses, lost profits or claimed damages for any reason are excluded. Under penalty of forfeiture of the guarantee, the purchaser must report in writing the defects or faults found within and no later than 8 (eight) days from their discovery. The burden of proof of the date of discovery shall be borne by the purchaser. The labour required for the repair or replacement of supply parts remains in any case the responsibility of the purchaser. The seller guarantees the metal structure of the washing systems against corrosion for seven years as well as the painting for two years. The customer can request the intervention under guarantee either directly to Ceccato or to the nearest workshop authorised by Ceccato. The right to guarantee will be proven by showing the invoice tax document and the Technical Report for commissioning the system; the latter will be completed by technical personnel authorised by Ceccato S.p.A.

The guarantee does not cover:

- Damage or breakage caused by transport during shipments - ex works - EXW as per incoterms2020;
- Failures or breakage caused by incorrect use of the system;
- Failures or breakage deriving from inadequate electricity, water or compressed air supply, or from the customer's failure to carry out scheduled preventive maintenance operations as described in the use and maintenance manual;
- Failures or breakage with unsuitable water quality used (excessive hardness, aggressiveness, presence of suspended sand and so on);
- Consumables (bristles, washing and purification chemicals, coals, filter bags, lubricants and so on);
- Damage to parts of the product delivery system, deriving from the use of washing and purification chemicals other than those supplied or approved by Ceccato spa;
- Damage caused by wilful misconduct, tampering, vandalism, use not compliant with what is specified in the user manual and atmospheric events (lightning, hail, flooding and so on);
- Also the cost of any labour interventions in which manufacturing defects of the equipment in its component parts are not found. The guarantee is void if:
 - The system has undergone modifications, repairs or tampering by persons not authorised by Ceccato S.p.A or carried out with the application of non-original spare parts;
 - The periodic maintenance operations indicated in the use and maintenance manual are not carried out;
 - The payment conditions signed and accepted in the conditions of sale have not been complied with;
 - In the event that the commissioning of the system occurs by third parties not previously authorised by Ceccato.

Furthermore:

- Repairs carried out under guarantee do not give rise to extensions or renewals of the same;
- The parts replaced under guarantee remain the property of Ceccato spa.

- GUARANTEE (Special Conditions Valid only if expressly referred to)

For (agreed period) months starting from the date of delivery of the system, Ceccato S.p.a guarantees the re-commissioning of the system itself (in the event of a blocking fault) with intervention within 12 working hours following the reporting of the fault itself (starting from 12.00 to Monday 8.30 of the day following the reporting of the fault), for which the communication to be sent to Ceccato SpA will be valid at the address E: MAIL:

service@ceccato.it .

The following hours must be considered working hours: 8.30-12.30 13.30-17.30 from Monday to Friday with the exception of holidays and days before holidays.

Should Ceccato S.p.A. not be able to put the system back into operation on schedule, the customer will be entitled to compensation of Euro 150.00 for each day of inactivity following the contractually scheduled 12 hours for complete downtime until the same is made operational again. The employment relationship from the authorised workshop and countersigned by the customer shall be valid. If the customer fails unjustifiably to sign the employment relationship, they will automatically lose the right to compensation.

10 - LIABILITY

It is understood that, without prejudice to the provisions of the law on liability for defective products (Decree of the President of the Republic 224/88 as amended), as well as in case of wilful misconduct or gross negligence, the obligations of the seller and the rights of the purchaser in relation to the guarantee are limited to the repair and/or replacement of the goods recognised as defective in compliance with the provisions of point 9 above. The exclusion of any right of the purchaser to compensation for direct, indirect or incidental damage that the latter should suffer following the onset of defects or faults on products under guarantee, including - but without limitation for the generality of the foregoing - damage resulting from non-use of the product or machine downtime, as well as from losses or lost earnings, is therefore expressly agreed. In the event of damage caused to third parties by the system, the purchaser cannot in any case contact Ceccato spa, but will have to manage it directly by contacting their own insurance company which, in case it finds that the damages are attributable to Ceccato's responsibility and therefore to manufacturing faults of the system, may make recourse against Ceccato and/or the insurance company of the latter.

The purchaser accepts and acknowledges that in the event of accidents, thefts or shortages occurring during the transport/delivery of a system sold free at destination, Ceccato will directly and autonomously take over the management of the insurance practice and will be entitled to obtain the relative reimbursements from the Company itself, and the purchaser cannot object to anything or even delay or suspend the payment of the agreed purchase price. The purchaser will also not be entitled to terminate the sales agreement in relation to defects or faults found on the products covered by the guarantee. Ceccato spa products are built in compliance with current environmental legislation. The purchaser undertakes to use the system in compliance with the law and regulations, including local ones, applicable and, in particular, to use the system only in conjunction with the water treatment purifier. The purchaser will be solely responsible for any environmental damage caused by improper use of the system, relieving Ceccato s.p.a. from any civil and criminal liability.

11 - CONTRACTUAL DEROGATIONS

Any possible derogation from the aforementioned general conditions of sale that is established in full agreement between the parties must be agreed in writing, will remain strictly limited to what is specifically agreed and will never imply modification of the remaining general conditions which will all remain valid where the contrary has not been explicitly agreed.

12 - APPLICABLE LAW AND JURISDICTION

The agreement is completed in Italy, at the headquarters of Ceccato s.p.a. and is governed exclusively by Italian law. The decision of any dispute that may arise from this agreement is devolved exclusively to the Judicial Authority of Vicenza. As a partial exception to the above, Ceccato s.p.a. will be however entitled to act before the Court of the place where the customer has its registered office.

13 - VALIDITY OF THE AGREEMENT

This agreement represents the only valid agreement between the parties and excludes any other negotiation, even previous, which may have occurred between the parties. It is understood that, should a provision be contained in these general conditions is in contrast with a provision contained in the particular conditions indicated in the offer and/or in the order confirmation, the latter shall prevail over the first; in no case will the general conditions of any nature affixed to orders and/or other documents sent by the customer.

14 - PRIVACY

By signing this purchase agreement, the purchasing company authorises Ceccato S.p.A. to acquire, process and communicate their data for their business purposes and also to give them to the categories listed below: our network of agents, factoring companies, credit institutions, debt collection companies, credit insurance companies, companies of

commercial information, professionals and consultants. The data subject may exercise all the rights referred to in Legislative Decree no. 196 dated 30 June 2003.

15 - ADVERTISING TAX

The payment of any advertising tax due on the display of the Ceccato spa brand, in application of the provisions contained in Legislative Decree 507/1993, will be the sole responsibility of the purchasing company. The latter undertakes to hold the seller harmless from any and all sums that the same is required to pay in this capacity by the bodies responsible for collection.