

## **STANDARD TERMS AND CONDITIONS OF SALE**

These Standard Terms and Conditions of Sale (these “Terms and Conditions”) govern the sales of goods and/or Services by Borusan Mannesmann Vobarno Tubi S.p.A. , a joint stock company incorporated in Italy (“Seller”) to the Buyer pursuant to a quotation, sales contract or purchase order (collectively referred to herein as the “Sales Agreement”). All references herein to “Buyer” refer to the purchaser of Goods and/or Services from Seller pursuant to the Contract, and any terms used and not defined herein shall be as defined in the Contract.

**1. ENTIRE AGREEMENT AND APPLICATION.** These Terms and Conditions supersede all prior negotiations, representations, commitments and agreements, whether oral and written, between two parties with respect to the Contract and the sale of Goods and Services to Buyer. Seller shall not accept any additional or conflicting terms formulated by Buyer, whether written or oral, before or after the date of the Sales Agreement, unless expressly agreed to in writing by SELLER or its expressly authorised representative. These Terms and Conditions of Sale shall take precedence and prevail over any terms in the Sales Agreement.

**2. PRICE AND DELIVERY TERMS.** Quoted sales prices of the goods and/or services remain valid until the option date indicated in the quotation. Once the sales contract is prepared and signed, prices will not be subject to negotiation under normal circumstances. However, quoted sales prices of the goods and services shall be subject to change to the extent of (a) any increase or decrease in import, antidumping duties or surcharges, (b) any safeguard application or tariffs or quotas imposed, (c) any increases in the costs in the event of force majeure, payable by Seller after the date of signing this contract.

The terms of delivery are as indicated in sales contract and always as per ex-mill shipment, not the delivery dates. Shipping dates are approximate, being subject to Seller’s availability, late delivery of items from Buyer or any other party, interferences in Seller’s work, Force Majeure, or any other reasons, and are not guaranteed, but Seller shall exercise all reasonable efforts to ship as per agreed terms.

In such cases, the Seller and the Buyer will agree on a new deadline for shipment, taking into account the problems that may be caused by delays in delivery. Seller is entitled to make partial deliveries. All partial deliveries shall be invoiced separately and paid for as invoiced, without taking into account subsequent deliveries. Failure by Buyer to pay any instalment due shall constitute grounds for Seller to suspend further deliveries of Goods and/or Services purchased by Buyer. Delay in any partial deliveries shall not relieve Buyer of its obligation to accept and pay for the remaining partial deliveries.

### **BORUSAN MANNESMANN VOBARNO TUBI S.P.A.**

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Fax : +39 0 (365) 592 256	

Buyer shall be notified when the Goods are completed and ready for Seller's shipping office or for collection by Buyer in accordance with the agreed delivery terms. Buyer shall have fifteen (15) calendar days to arrange shipment of the material and accept Seller's invoice. If Buyer fails to collect all Goods within fifteen (15) calendar days, Seller may elect to invoice Buyer. If Buyer fails to collect all Goods within thirty (30) calendar days of notice that the Goods are ready for collection, Seller may charge Buyer a storage fee of €10.00 per tonne per month, as well as any costs associated with the handling of the Goods, and Seller may elect to revise the sales price of the Goods. Seller shall invoice Buyer for such storage fees and Buyer agrees to pay storage charges.

**SHIPMENT OF GOODS.** Unless otherwise agreed in writing by Seller: (i) Shipments shall be made by carrier designated by Seller/Purchaser in accordance with agreed Incoterms conditions; (ii) All deliveries of Goods shall be made in accordance with the 2010 Incoterms conditions set out in the sales contract, whereby all risks of loss and/or damage to the Goods supplied shall be transferred by Seller to Buyer upon delivery to Buyer or its designated carrier. Although the cargo insurance contract entails the Seller's liability according to the agreed Incoterms conditions, the Buyer is responsible for the insurance contract after "delivery", for the remaining time in transit until final destination. On the other hand, Title to the Goods shall pass from Seller to Buyer upon payment by Buyer of the full purchase price of the Goods; (iii) At the Seller's warehouse, all loading operations shall be carried out by appointment; (iv) It is the responsibility of Buyer or its representative to call +39 0365 592 1 to schedule the appointment, preferably 48 hours in advance; (v) Carriers arriving without an appointment shall be placed at the end of the schedule and overtime charges may be applied; (vi) Buyer shall be responsible for all matters relating to the shipment, handling and transport, including securing Goods carried for protection against accidents which may occur during shipment; (vii) Buyer shall cover all risks associated with the above operations, including third-party liability insurance.

**ORDER CHANGES.** If Buyer wishes to make changes to the Goods and/or Services outside the scope of the original Sales Contract, Buyer shall submit a written change order ("Change Order") to Seller. Change Orders submitted within 2 months prior to the delivery date agreed in the order shall only be accepted if they do not involve changes in Seller's raw materials/production schedules. Seller shall submit to Buyer a new revised quotation based on the changes, including design, dimensions and specifications, Seller's work progress under the original Sales Contract and Seller's current workload, and shall submit to Buyer an updated Sales Contract indicating the cost consideration of the Change Order. These Change Orders and updated Sales Contracts must be signed by the Seller. Buyer shall accept the revised Sales Agreement in writing and return it to Seller before Seller is required to execute the revised Sales Agreement. The revised Sales Agreement may entail a variation of the price, delivery dates or other terms of the original Sales Agreement. All terms of the original Sales Agreement shall remain in effect unless otherwise specified in the revised Sales Agreement. Any such updated and jointly executed Sales Agreement cancels and supersedes the original Sales Agreement.

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**3. TRANSFER OF TITLE AND RISK OF LOSS AND DAMAGE.** The risk of loss of and damage to the goods shall pass from Seller to Buyer upon their delivery to Buyer in accordance with Incoterms 2020. Seller shall not be liable for any loss, damage or injury during delivery of the goods and/or services to Buyer beyond the point of delivery. Title to the goods shall pass to Buyer only upon full payment by Buyer for the goods and/or services. At Seller's request, Buyer shall prepare and deliver to Seller such financing statements and other instruments and agreements as Seller may reasonably require to evidence and define its security interest in the Goods and/or Services until full payment has been received from Buyer.

**4. CANCELLATIONS AND RETURNS.** Buyer may not cancel or modify any order or Sales Agreement, in whole or in part, after the signing of the Sales Agreement without Seller's prior written consent, which Seller reserves the right to grant or withhold at its sole discretion, upon an adjustment of price and/or other terms and on the reimbursement by Buyer to Seller of any costs and damages incurred in connection with the order and its cancellations/returns. Except as provided for in Article 8 of these Terms and Conditions, no goods shall be returned to Seller. Conforming goods are not returnable in any respect, unless expressly agreed in writing by Seller or any authorized representative of Seller, subject to acceptance or rejection by Seller at its sole discretion to be given or denied in Seller's sole and absolute discretion.

**5. PAYMENT.** Payment is due from Buyer to Seller as set forth in the Sales Agreement. Payment by Buyer to Seller is not and shall not be conditional in any other way, including payment by a third party, and Buyer shall not be entitled to set off, withhold or block any amounts owed to Seller. Failure to pay invoices issued by Seller in relation to the sales agreement entered into with Buyer shall entail the accrual of default interest pursuant to Legislative Decree 231/2002 as well as to Directives 2000/35/EC and 2011/7/EU "against late payment in commercial transactions" with effect from the date on which payment is due. If the credit is collected through court or in any case through the intervention of a lawyer, Buyer shall pay for all legal expenses and procedural costs and fees incurred for the forced credit recovery. If Seller determines, in its opinion, that Buyer's financial position is weakening, or if Buyer fails to comply with the provisions hereof or fails to make payments in accordance with the terms of this Sales Agreement entered into between Buyer and Seller, Seller may elect to suspend performance or, without waiving any other rights it may have, terminate the Sales Agreement. In addition, at Seller's request, Buyer shall prepare and deliver such financing statements and other instruments and agreements as Seller may reasonably require to evidence and define its security interest in the Goods and/or Materials until it receives full payment from Buyer.

If Buyer fails to make payment in full for Goods within the time period set forth above or within the time period expressly agreed upon in writing by Seller and Buyer, such failure to pay on time shall constitute a material breach of the Sales Agreement by Buyer, thereby enabling Seller to suspend production, shipment or delivery under these Terms and Conditions or Sales

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Agreement. In such an event, Seller shall be entitled to claim any additional expenses as may arise in connection with the return and resale of the goods, including, but not limited to, customary commercial charges, transportation, insurance, and attorneys' fees and expenses.

**6. BUYER'S SOLVENCY GUARANTEE.** All orders and deliveries are subject to Seller's full satisfaction of Buyer's creditworthiness. At Seller's request, at any time prior to full payment for the goods and/or Services, Buyer shall prepare and deliver such financing statements and other instruments and agreements as Seller may reasonably require to evidence and define its security interest in the Goods and/or Services. Seller reserves the right to refuse any order or to continue to carry out any order under the Sales Agreement if it considers that solvency may involve a risk for payment by Buyer. In such a case, Seller and Buyer agree to act in good faith and use their best endeavours to provide Seller with a guarantee, even if in addition to existing guarantees, to sell or continue to supply the Goods and/or Services to Buyer.

**7. TAXES AND DUTIES.** The quoted sales price of the goods and/or services does not include any applicable federal, state or local taxes, value added taxes, withholding taxes, import and export taxes or duties, customs duties and tariffs or any other taxes and duties (collectively referred to as "Taxes"). All such Taxes shall be Buyer's sole responsibility, and Buyer agrees that such Taxes will be added to the quoted sales price and paid either to Seller or directly to the tax authority, provided that Buyer shall provide Seller with evidence that such Taxes have been paid in full.

**8. WARRANTY.** Seller only warrants that the goods comply with the specifications agreed with Buyer and that, at the time of delivery, Seller has title to the goods, free and clear of any liens and encumbrances (the "Warranty"). In any event, Buyer shall promptly inspect the goods and/or Services upon receipt thereof within a commercially reasonable time not to exceed seven (7) calendar days after receipt of the goods and/or services. Buyer's use or enjoyment of goods or resale thereof shall be deemed an acceptance of the goods as conforming to the Sales Agreement unless Buyer provides Seller with written notice of rejection of or non-conformance with such goods prior to or concurrent with Buyer's use thereof and in accordance with Clause 10 herein. Inspection or non-inspection of the goods and/or services by Buyer shall not delay payment owed to Seller.

In the event of justified and timely notice of defects in accordance with Article 10 herein, Seller, at its sole discretion, reserves the right to repair or replace the defective Goods with replaceable material within a reasonable time. If, at Seller's option, Seller determines that replacement or repair is not effective, Seller's liability under this Warranty shall be limited to a reduction of the

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Sales Price. Terms and conditions may not be waived. Furthermore, the Sales Price cannot be refunded. Replaced parts shall become the property of the Seller.

Buyer shall remain the only one liable for damage incurred as a result of normal and unavoidable wear and tear, mishandling, negligent handling, excessive use, improper operating materials and unsuitable installation conditions.

Seller's Warranty does not extend to Goods and/or Services purchased from third-party suppliers through Seller. Such Goods and/or Services provided by third-party suppliers are covered only by the respective supplier's warranties, if any.

If Buyer resells the Goods and/or Services (including third-party Goods and/or Services, which have been performed under the Sales Agreement), Articles 8 to 13 of these Conditions shall be incorporated into the resale agreement. Seller expressly disclaims and excludes any and all warranties, including implied warranties of merchantability and fitness for a particular purpose and any warranties which may otherwise arise in negotiations between Buyer and Seller or from any trade practice. Any technical advice given by Seller in connection with the use of the goods sold under this contract is for information purposes only, and Seller makes no representations or warranties and assumes no obligation or liability for any such advice.

**9. SELLER LIMITED LIABILITY. In no event shall Seller's liability, regardless of cause, extend beyond replacement or repair of Goods and/or Services or reduction of the sales price, at Seller's option, nor shall Seller have any liability for personal injury, property damage, lost profits, delay, loss of time, cost of work done, penalties, additional charges incurred by Buyer or for any separate, special, exemplary, indirect, consequential or incidental damages, including without limitation, consequential damages resulting from rejection of finished parts by Buyer or Buyer's customer(s); damage from pollution, contamination or radiation (including costs of containment, cleaning up or disposal) loss of or damage to sub-soil, including loss of or damage to reservoirs, formation, wells, borehole or in-hole drilling equipment, or impairment of the right to water, oil, gas or other mineral substances; damage, loss, destruction, personal injury or death occurring on the surface as a result of an event occurring underground; the destruction or retention of control of a wild well or its re-drilling, reworking or fishing, even if the damage, loss, costs and expenses result from the sole or concurrent negligence of Seller or its affiliates, whether arising out of a contract, tort, Seller's negligence, strict liability or any express or implied warranty; provided that if the Buyer makes available any warranty for such Goods to a third party, Seller's obligation with respect to such warranty shall not exceed Seller's obligations under the foregoing warranty requirements; and also provided that if any warranty for such Goods exceeds Seller's obligations under the warranty requirements set out above, Buyer shall defend, indemnify and hold Seller harmless from any and all claims, proceedings, liabilities, damages, costs and expenses (including reasonable legal fees and court costs) arising out of or attributable to such obligations exceeding Seller's obligations under the warranty requirements set out above.**

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To the fullest extent permitted by law, and notwithstanding any other provision of these terms and conditions, the total aggregate liability of Seller and Seller's officers, directors, partners, employees and subcontractors towards Buyer and anyone claiming from or through Buyer for any and all claims, losses, costs or damages, including attorneys' fees and expert-witness fees and costs of any kind or claims/expenses arising out of or, in any way related to the Sale of Goods and/or Services or the Sales Agreement, from whatever cause or causes, shall not exceed the invoice amount of the defective Goods and/or Services. It is understood that this limitation applies to all and any liability or cause of action however alleged or occurring unless otherwise forbidden by law.

No claim of any nature whatsoever, whether based on a contract or otherwise, may be brought or made against Seller or any of its affiliates more than twelve (12) months after delivery of the Goods and/or Services to Buyer.

**10. CLAIMS.** Claims for non-conforming Goods and/or Services shall be submitted by Buyer to Seller in writing within ten (10) calendar days of Buyer's receipt of such Goods and/or Services. Buyer shall demonstrate the non-conformity of Goods and/or Services purchased, and Seller shall have the right to request samples, perform a joint inspection, or prepare an independent inspection report. Failure of Buyer to notify Seller within ten (10) calendar days shall constitute Buyer's tacit acceptance of said Goods and/or Services and waive any right to refuse or revoke acceptance of said Goods and/or Services. If damage or defect is believed to have occurred during transportation, Buyer shall promptly take the necessary steps, including but not limited to, immediately reporting the damage to the carrier, informing Seller and/or Cargo Insurance Company in accordance with the agreed Incoterms, participating in joint inspections, taking appropriate precautions to contain the damage, etc., and shall notify Seller and/or Cargo Insurance Company accordingly.

**11. MODIFICATION TO GOODS.** Buyer shall not modify, repair or alter the Goods and/or Services except at its own risk, and no claim for modification, repair or alteration shall be permitted. Any modifications to the Goods and/or Services without Seller's written consent shall invalidate all of Seller's warranties, including, without limitation, the Warranty set forth in Article 8 above.

**12. COMPENSATION.** Buyer shall release, protect, defend, indemnify and hold harmless Seller and its affiliates from any loss, claim, damage or expense (including reasonable attorneys' fees) incurred, whether directly or indirectly, by Seller or any of its affiliates, including those arising out of or relating to bodily injury, death or property damage, due to:

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- a. failure on the part of Buyer or any of its affiliates to comply with the specifications, instructions, warnings or recommendations relating to the Goods and/or Services provided by Seller or any of its affiliates;
- b. failure on the part of Buyer or its affiliates to comply with all applicable legal requirements relating to the Goods and/or Services;
- c. misuse, modification or misapplication of Goods and/or Services by Buyer or its affiliates;
- d. installation of the Goods and/or Services by Buyer or any third party;
- e. the right of entry to and exit from Seller's property to facilitate delivery and transportation of Goods and/or Services to Buyer;
- f. transportation and delivery, including loading and unloading, of Goods and/or Services to Buyer;
- g. any breach of the Sales Agreement on the part of Buyer;
- h. any fraudulent misrepresentation on the part of Buyer or its affiliates; or
- i. any actual or alleged infringement of Buyer's, or any other parties' patents, trademarks, copyrights, or trade secrets on the part of Buyer or any of its affiliates.

**13. LIMITATIONS.** Buyer and Seller agree that, unless otherwise specified in this Contract, any action, regardless of form, arising out of this Contract or the sale of the Goods and/or Services must be commenced within one year after the date the contract goods are delivered to Buyer or the date the event occurred, whichever is earlier.

**14. GOVERNING LAW, JURISDICTION.** These terms and conditions and Sales Agreement entered into between Buyer and Seller for the sale of Goods and/or Services created hereunder are deemed to have been made in Italy and exported to all countries in the world and shall, for the purposes of validity, interpretation, construction, effect and in all other respects, be governed by Italian law with the express exclusion of the provisions of the United Nations Convention on Contracts for the International Sale of Goods.

Any dispute or claim arising out of or in connection with this agreement, including disputes relating to its validity, breach, termination or invalidity shall be brought before the courts of Brescia.

**15. FORCE MAJEURE.** In the event Seller's performance hereunder is delayed or made impossible or commercially unfeasible due to causes beyond Seller's reasonable control (including, without limitation, acts of God, hurricanes, tropical storms, fires, wars, acts of terrorism, strikes, coups d'état or other labour disputes, product shortages, delays or shortages of transportation, temporary or permanent plant shutdowns, compliance or other actions taken to fulfil the intent or purpose of laws, regulations or other requirements of governmental authorities) [referred to as a "Force Majeure Event"], Seller may be given reasonable additional time to perform its obligations under the Sales Agreement, depending on the circumstances. In the event such Force Majeure Event persists for more than sixty (60) consecutive calendar days,

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Seller or Buyer shall be entitled to terminate the Sales Agreement upon written notice to the other party.

**16. WAIVER.** Seller's failure to exercise or delay in exercising its rights hereunder shall not constitute a waiver of any of Seller's rights. Any waiver by Seller with respect to any breach or default on the part of the Buyer of any of the provisions of these Conditions or the Sales Agreement shall not be deemed a waiver with respect to any subsequent breach or default. All rights and remedies provided for in these Conditions of Sale shall not exclude the application of specific statutory provisions unless expressly excluded herein.

**17. ASSIGNMENT.** Buyer may not assign or transfer its rights or obligations under these Conditions (whether voluntarily, involuntarily, under law, the transfer of a majority or controlling interest, sale of shares or otherwise) without Seller's prior written consent. These Terms and Conditions shall be binding on Buyer and its successors and assigns. Seller may assign, subcontract all or part of its rights and obligations to its affiliates or third parties without Buyer's consent.

**18. PATENT RIGHTS, COPYRIGHTS AND TRADEMARKS.** Seller retains the legal property rights and copyrights to all offers, sales agreements, plans, drawings and other documents; third parties are only permitted access to these documents with Seller's express consent. Drawings and other documents pertaining to offers and sales contracts shall be returned to the Seller upon Seller's request.

**19. SEVERABILITY.** If any provision of these Conditions is unlawful, void or unenforceable for any reason whatsoever, it shall be deemed severable from these Terms and Conditions and the remaining Articles and Sections shall continue in full force and effect.

**20. EXCLUSION OF THIRD-PARTY RIGHTS.** This Agreement is solely for the benefit of the parties hereto, their permitted successors and assigns. Nothing expressed or referred to in this Agreement shall be construed to confer upon any other person any legal right, remedy or claim under or pursuant to this Agreement.

**21.** Buyer shall pay the Seller's invoices in full and shall not unilaterally apply any discounts, offsets or reductions for any reason whatsoever, including in connection with any warranty claims or any other claims or default on the part of the Seller.

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**22. CONFIDENTIALITY.** Any samples, drawings, models, specifications, proposals or other information provided by Seller are intended for Buyer's confidential use, and shall remain the property of Seller and shall not be used or disclosed by Buyer without Seller's prior written consent. The sale of Goods and/or Services shall in no way entitle Buyer to use any of Seller's intellectual property.

**23 AMENDMENTS AND CHANGES.** These Terms and Conditions may not be amended, supplemented, modified, replaced or otherwise varied without the prior written consent of both Buyer and Seller.

## **24 RESTRICTIVE COVENANTS**

Pursuant to and for the purposes of arts. 1341 and 1342 of the Italian Civil Code, after having taken due note of and acknowledged them, Buyer hereby approves and expressly accepts the following clauses, and agrees to return these duly stamped and signed General Terms and Conditions of Sale to Seller:

- 1) Entire agreement and application
- 2) Price and delivery term
- 3) Transfer of title and risk of loss and damage
- 4) Cancellations and returns
- 5) Payment
- 6) Buyer's solvency guarantee
- 8) Warranty
- 9) Seller limited liability
- 10) Claims
- 11) Modification to goods
- 13) Limitations
- 14) Governing law, jurisdiction
- 15) Force Majeure
- 16) Waiver
- 23) Amendments and changes

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