ENGLISH VERSION

Olmetex

CONDITIONS OF SALE

1. General Provisions

The present General Terms and Conditions constitute the legal basis of all sales contracts that are not governed by specific individual agreements. They render ineffective any contrary clause, whether written or oral, prior or subsequent to the offer submitted by the Buyer or to the order confirmation issued by Olmetex S.p.A., even if such clauses are affixed or added by the Buyer but not expressly and specifically accepted in writing by the Seller. Any commencement of performance of the contract by the Seller, even in the presence of contractual conditions proposed by the Buyer, shall in no way imply acceptance thereof by Olmetex S.p.A., unless such conditions have been accepted in writing by the latter.

The Buyer is always required to carefully read the General Terms and Conditions of Sale, available on the website www.olmetex.it, and by submitting its order declares that it has understood and fully accepted the content of the General Terms and Conditions of Sale of Olmetex S.p.A.

2. Orders, Delivery, Acceptance, Transport

The Buyer shall entrust Olmetex S.p.A. with the supply of the products by sending a specific Order in writing, indicating the relevant article/colour codes, the quantity expressed in meters, and any delivery time requirements. The Buyer must also expressly specify in the Order both the required technical characteristics of the product and any specific and sector-related regulations that must be complied with in production, as well as, if required, compliance with the requirements of the Chinese market.

Olmetex S.p.A. reserves the right to verify the feasibility of the Orders within seven working days following their submission, after which the Orders shall be deemed accepted. In any case, Olmetex S.p.A. shall not be held liable for any changes in regulations that may occur after the date of the customer's Order. In such a case, the customer shall in any event be required to accept and pay for the goods produced by Olmetex S.p.A., without being entitled to raise objections relating to subsequently introduced regulatory changes.

Olmetex S.p.A. shall provide traceability of the fabrics sold only upon the customer's express request. It shall be the Buyer's obligation, at the prototyping stage, to request the technical data sheet—which shall be considered an integral part of the sales conditions—and the declaration of origin of the materials it intends to purchase.

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In the case of special developments (articles/colours/designs), Olmetex S.p.A. reserves the right to confirm to the Buyer the technical characteristics of the item and the related updated quotation only after delivery of the sample piece. Any requests for modification or cancellation must be communicated in writing by the Buyer before the Order is put into production; after that stage, such requests shall no longer be accepted.

Olmetex S.p.A. reserves the right to assess the possibility of delivering the goods within the timeframes requested by the Buyer. In any event, the delivery times indicated by the Buyer shall be deemed purely indicative and not binding, as they constitute approximate timeframes that Olmetex S.p.A. will endeavor to meet as far as possible. Failure to deliver the ordered goods within the timeframe requested by the Buyer shall never result in the application of penalties or the payment of compensation, nor shall it entitle the Buyer to rescind and/or terminate the contract or to consider it rescinded and/or terminated.

In the event of force majeure or unforeseeable circumstances, delivery may be postponed in proportion to the impact that such events have on the preparation and delivery of the goods. Such events include all circumstances beyond the reasonable control of the Seller, such as, by way of example only: natural events, fires, accidents, transport delays, strikes (whether involving its own personnel or that of manufacturers, customs authorities, postal services, carriers, freight forwarders, etc.), government restrictions, pandemics, other measures taken by authorities, including delays by suppliers of raw materials or services necessary for production.

Delivery of the goods shall always be deemed to take place at the Seller's premises. The Seller shall arrange shipment and all related operations in its capacity as agent of the Buyer, who shall therefore bear all risks associated with such operations.

Upon arrival of the goods at their destination, the Buyer shall check their condition, weight and quantity, or their conformity with the delivery note, and shall notify the Seller of any possible claims in this regard within and no later than 8 days. The Seller shall in no case be liable for loss or damage to the products occurring after the transfer of risk, and the Buyer shall in any event remain obliged to pay the price.

In the event of failure to collect the goods at the agreed place and time for reasons not attributable to the Seller, the Buyer shall nevertheless be required to make the agreed payments. The goods shall be stored at the Buyer's expense and risk, and the Seller shall also be entitled to reimbursement of all expenses incurred, in addition to any further action to protect its interests.

3. Prices

Prices are valid for six months, without prejudice to the Seller's right to notify any increases on future orders, including during the season, requested by the Buyer. Unless expressly agreed otherwise, prices do not include taxes, duties, contributions of any kind, expenses or accessories of any nature whatsoever relating to the sale transactions or the materials, all of which shall be borne by the Buyer.

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4. Quantity

Unless otherwise indicated and/or due to different manufacturing requirements, if the quantity of goods ordered differs from the quantity delivered, the order shall be deemed correctly fulfilled (with exclusive reference to quantity) when the variation falls within a tolerance limits set out below:

mt	%
≥ 1000	3%
500 - 999	5%
300 - 499	7%
200 - 299	10%
100 - 199	15%
≤ 99	20%

5. Terms of Payment

Payment shall be made at the Seller's registered office. The Buyer acknowledges that the confirmations/invoices issued by Olmetex S.p.A. may be subject to prior assessment and insurance by a credit insurance company. Failure to comply with the agreed payment terms shall automatically result in the accrual of late payment interest pursuant to Legislative Decree no. 231/2002, without the need for prior written notice. Failure to comply with even one of the payment deadlines shall result in the forfeiture of the benefit of the term, with the consequent obligation for the Buyer to immediately pay all amounts still due, even if the relevant deadlines have not yet expired.

The Seller shall be entitled to suspend performance of its obligations if the Buyer fails to make payments within the agreed terms or if the Buyer's financial situation has deteriorated to such an extent as to jeopardize receipt of the consideration.

In any event, in addition to late payment interest, the Buyer shall be required to compensate any further damages caused by delayed or failed payment and shall not be entitled to claim any compensation for interruption of supplies.

Under no circumstances may the Buyer refuse to make payments by the agreed deadlines and/or suspend or delay them by raising objections or disputes of any nature whatsoever (so-called solve et repete clause). The Buyer may not claim any right of set-off against amounts due to the Seller, not even for compensation purposes, unless expressly authorized in writing by the Seller.

Late or non-payment shall entitle the Seller to suspend performance of any further orders in progress and to refuse acceptance of new orders until all outstanding invoices have been paid in full.

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6. Warranties, terms for contesting defects

The goods are warranted within the normal limits of industrial quality. Any additional warranties arising from the specific characteristics of the goods as requested by the Buyer shall be provided solely and exclusively if expressly accepted in writing by the Seller.

The Buyer is required to notify the Seller of any defects or lack of quality of the materials no later than 8 days from delivery, where such defects are apparent or easily recognizable, or no later than 8 days from discovery in the case of latent defects. In any event, the Buyer is required to inspect the fabric before it is released for cutting and to report any defects found no later than 8 days from delivery. Under no circumstances shall claims be accepted for fabric that has already been cut and/or processed. The warranty for defects, deficiencies or lack of quality shall expire one year from delivery of the goods.

Acceptance, whether express or tacit, by the Buyer of defects or flaws in the goods shall exclude the Seller's warranty. In any case, the warranty shall be excluded if the goods have already been processed by the Buyer or incorporated into products, machinery or systems of the Buyer or of third parties; likewise, the warranty shall be excluded where defects and/or flaws arise from improper processing, maintenance or repair carried out by parties other than the Seller or its agents, or where defects result from normal wear and tear.

The Seller's liability is always excluded where non-conformities, defects or lack of quality arise from events occurring after the transfer of risk. The warranty is valid exclusively and strictly in favor of the Buyer and shall in no event apply in favor of third parties. The Seller's warranty for the materials sold is limited exclusively to the characteristics indicated in the relevant "technical data sheet" and shall in no case be extended to the purpose the Buyer intends to achieve with the purchased materials. The Seller's liability is limited to the replacement of defective materials within the shortest possible time or to reimbursement of their cost if payment has already been received, and in no case may the Buyer claim compensation for processing and/or direct or indirect damages. Any liability for indirect or consequential damages arising from the goods (including, by way of example, loss of profit, loss of turnover, and product recall campaigns) is expressly excluded from the Seller's warranty.

In the event of a return, unless otherwise agreed between the parties, the products shall be delivered by the Buyer, subject to prior written authorization from Olmetex S.p.A. In such case, the customer undertakes to send in advance by e-mail:

• the return delivery note (D.D.T.) with the relevant references to the original Olmetex S.p.A. sales delivery note and the corresponding article codes;

• the packing list of the goods;

• the roll mapping, only in cases where the goods have passed through the control center.

The absence of even one of the above documents shall entitle Olmetex S.p.A. to reject the return.

Any compensation for damages that may be owed by the Seller to the Buyer shall in no event exceed an amount equal to the price value of the defective Product.

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7. Retention of title

The sale of the goods is made with a “retention of title” clause, whereby ownership shall be transferred only upon full payment of the goods and, in any event, in compliance with the laws of the State in which the Buyer has its registered office. The Buyer undertakes to take all steps necessary to establish, in such State, a valid retention of title in the broadest form permitted, or to put in place an equivalent form of security in favor of the Seller.

The Buyer undertakes to cooperate with the Seller in implementing the measures necessary to protect the Seller’s ownership rights. The Seller is authorized to carry out any formalities required to ensure that the retention of title is enforceable against third parties.

Should the Seller, in accordance with this article, exercise the retention of title clause, any amounts paid by the Buyer, in compliance with the applicable national legislation, shall be retained by the Seller as compensation and/or damages, without prejudice to the Seller’s right to claim compensation for any further damage suffered.

8. Termination/termination

The sales contract may be lawfully terminated by the Seller, without any liability for contractual or extra-contractual damages and without recourse to any other remedy, if any of the following events occur:

a) War, armed conflict or serious threat thereof, invasion, large-scale military mobilization;

b) Civil war, riots, rebellions and revolutions, insurrections, uprisings;

c) Acts of terrorism, sabotage, or piracy;

d) Acts issued by an Authority, seizures, nationalizations;

e) Cases of force majeure, epidemics, pandemics, natural disasters;

f) Explosions, fires, destruction of machinery, equipment, factories;

g) Boycotts, strikes, lockouts, occupations of factories and premises.

The Seller may withdraw from the contractual relationship by written communication to the Buyer in the event of the Buyer’s bankruptcy, insolvency, or other insolvency proceedings, as well as in the event of its liquidation, acquisition, merger, or transfer of assets to a competitor of the Seller.

9. Jurisdiction

For any dispute arising from the interpretation or execution of this contract, or in any way related to it, the Court of Como shall have exclusive jurisdiction.

10. Applicable Law

This contract is governed by Italian law, except for the rules applicable to the retention of title clause (see Article 7), which shall be governed by the law of the country in which the Buyer has its registered or administrative

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