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TERMS OF MANUFACTURE

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**1. Entire Agreement**

1.1 These Terms of Manufacture, combined with the conditions specified in the quotation, represent the entire agreement between Lavorazione Sistemi Lasi S.p.A. (“Lasi”) and the Customer for purchase orders placed by the Customer and accepted by Lasi unless superseded by a further agreement signed by both parties. Any additional or different terms and any pre-printed terms in any Customer purchase order or other written communication will have no legal effect unless acknowledged in writing by Lasi. Terms in Lasi’s quotation may supersede specific terms in these Terms of Manufacture. The relevant quotation number and date should be referenced in any purchase order. In issuing a purchase order to Lasi, Customer agrees to be bound by these Terms of Manufacture.

1.2 Lasi will manufacture and deliver products and supply services, subject to the Customer first having provided Lasi with the specifications for the product, together with any Customer tooling and all other necessary drawings, documentation, data, software, and other information of the Customer.

**2. Delivery and Acceptance**

2.1 Lasi will use its reasonable efforts to meet Customer delivery requirements. Lasi will not be liable for any costs or expenses that might be incurred by the Customer as a result of a delay in delivery. Products will be shipped Ex Works Lasi’s premises. Lasi transfers title and risk of loss to the products upon delivery to the carrier at the Lasi dock irrespective of whether or not Lasi has arranged for transportation according to Customer instructions. Customer agrees to carry adequate product insurance until such time as the products are paid for in full. All products will be packed by Lasi in secure packaging considered appropriate by Lasi or otherwise as may be agreed.

2.2 Customer may reject products that are proved, to Lasi’s reasonable satisfaction, not to meet the relevant specifications previously provided by Customer or, to have been materially damaged prior to delivery by Lasi. In such an instance, Customer will notify Lasi in writing within ten (10) calendar days of original delivery and request a return material authorization (RMA). Once an RMA is issued, Customer shall have five (5) calendar days to return rejected products to Lasi, at Customer’s risk and expense. Lasi will then, at its election and cost, repair, replace or credit Customer for the rejected products. In the case of replacement, title to rejected products shall pass to Lasi upon delivery to Lasi. In the absence of earlier notification of rejection, Customer will be deemed to have accepted products ten (10) calendar days after delivery.

**3. Prices and Payment**

Pricing is as indicated in the quotation. The Customer will be solely responsible for and will pay all taxes, including value-added taxes, duties or other governmental or regulatory charges, except for any income-related taxes for which Lasi is directly liable unless evidence of exempted status is provided. Unless otherwise stated, all prices refer to EURO (Eur). Payment is due, without any set-off or deduction, thirty (30) days from date of invoice. If the Customer fails to make any payment by the due date Lasi may, in addition to its other rights and remedies, charge an annual late payment charge at a rate equal to EURIBOR as published in the Il Sole 24 ore, plus 6%. Furthermore, Lasi may elect not to perform any further obligations until payment is received.

**4. Purchase Orders/Forecasts**

The Customer authorizes Lasi to schedule production, purchase materials, including long lead-time items and unique components, to fulfil purchase orders, forecasts and, if applicable, upside requirements, based on material lead times, supplier minimum requirements and economic order quantities.

**5. Rescheduling**

An order may be rescheduled once from its originally scheduled ship date but for no more than eight (8) Weeks from the original date. No order may be rescheduled within the twelve (12) Weeks period immediately preceding its scheduled ship date. For blanket purchase orders, rescheduling applies to each date designated on the purchase order. The Customer is responsible for carrying charges and for costs incurred by Lasi associated with such rescheduling, which cannot be mitigated by the reasonable efforts of Lasi. Any order that has been rescheduled may not be subsequently cancelled.

**6. Cancellation**

Reduction of ordered Product quantities will be treated as partial cancellations. The Customer may not cancel any prototype, pre-production/pilot or one-time orders and may not cancel any other order within the sixteen (16) Weeks period immediately preceding its scheduled ship date. For cancellation of any orders, Customer will pay Lasi: a) the full product price for any finished products or work in process, and b) for any costs associated with materials on hand or on order, which cannot be mitigated in accordance with Section 8 below, and c) for any investment incurred by Lasi which is specifically in relation to the manufacture of Customer’s product and which has not been recovered from Customer through amortization or other means, and d) the pro-rated portion of the price of the cancelled orders which relates to Lasi’s value-add. Except in accordance with Section 2.2 above, refusal to accept delivery of an order will be treated as a cancellation.

## 7. Order Changes, Engineering Changes and Specification Changes

Any changes to orders placed by the Customer, other than permitted rescheduling and cancellation, are subject to acceptance in writing by Lasi. For engineering changes, Lasi will notify the Customer of the impact on product price and delivery schedules, if any, caused by such changes. For all engineering changes except those initiated by Lasi solely to improve its manufacturing processes, the Customer will be responsible for all costs associated with implementation, including if applicable, surplus and/or obsolete inventory.

## 8. Obsolete and/or Surplus Material and Inventory

If for any reason, and at any time, material or inventory is rendered surplus or obsolete and that material or inventory was acquired or produced in accordance with Section 4 above, Lasi will provide Customer with notification of the potential cost of such surplus or obsolete materials and make reasonable efforts for up to four (4) weeks, to mitigate that cost. After such four (4) week period, Lasi shall be entitled to deliver all remaining surplus or obsolete material and inventory to the Customer and invoice for the full costs thereof, along with the costs of any and all other materials for which Lasi remains liable, as well as reasonable handling and mitigation charges. Such invoice shall be paid by Customer, without setoff or deduction, within fourteen (14) days from the date of the invoice.

## 9. Intellectual Property

9.1 All existing Intellectual Property owned by or licensed to the Customer will continue to be owned by the

Customer and, accordingly, Lasi is licensed to use such of it as may be necessary for Lasi to perform its obligations. With respect to any Intellectual Property licensed to the Customer, the Customer warrants that such license is in good standing and includes all necessary rights of sub-licensing. All existing Intellectual Property of Lasi will continue to be owned by Lasi and all Intellectual Property arising in the course of Lasi's manufacturing of the products or performance of the services will be owned by Lasi, unless otherwise agreed in writing. Payment of quoted prices for products or services does not confer any rights in or title to the subject matter of the service, which shall remain the absolute property of Lasi.

9.2 Nothing contained herein will be deemed to grant to the Customer either directly or by implication any license or other right under any patents, patent applications, or non-patent rights owned by or licensed to Lasi.

## 10. Warranty

10.1 Lasi warrants that the product(s) will be free from defects in workmanship for a period of one (1) year or as otherwise specified in Lasi's quotation or proposal and commencing from date of shipment, provided that the Customer notifies Lasi in writing within thirty (30) days after discovery of the defect and returns the defective product to Lasi within a further ten (10) days. All products require a Return Material Authorization (RMA) from Lasi prior to their return. All returned products shall include documentation describing the nature of the defect, how it was discovered and under what conditions it occurred. The Customer will ship the product to Lasi freight prepaid and Lasi will return the product freight prepaid. Lasi will, at Lasi's option, repair or replace the defective product or give the Customer a credit based on the price paid for the product.

10.2 Prototypes and pre-production/pilot products are provided on an "AS IS" basis without warranty of any kind.

10.3 Lasi reserves the right to apply a No Defect Found (NDF) charge, including return freight charges, for product returned and found to be in conformance with the specifications in place at time of original manufacture.

10.4 This warranty will have no legal effect if the product is misused, damaged, modified, placed in an unsuitable physical or operating environment, maintained improperly, or caused to fail by a product or service not provided by Lasi, or if the product has been subjected to any repair not authorized in writing by Lasi.

10.5 This warranty does not include defects as a result of, but not limited to, any Customer supplied design, documentation, test data, and diagnostics, or defects which are attributed to lack of design margin or errors in the Customer's specifications or bills of material. The warranty also does not include any products on which Lasi has not performed the normal manufacturing/testing/inspection process, at the Customer's direction. Lasi will have no liability for defects in products where failure to identify or isolate such defects is attributable to Customer-supplied hardware, software or procedures.

## 11. Indemnification

11.1 The Customer will keep Lasi fully indemnified against all losses, damage, costs and expenses (including reasonable attorney's fees) which it may incur as a result of Lasi having followed specifications or any other material or information supplied, or any instructions given, by or on behalf of the Customer.

11.2 The above indemnity will extend to all claims of any kind made by third parties (including without limitation, claims for infringement of Intellectual Property rights and for personal injury or death caused by the products or services provided, or otherwise arising from the performance of services) other than claims which result, and to the extent that they result, from defects in workmanship of Lasi.

11.3 The Customer shall settle or defend, at Customer's expense, and shall pay any damages, costs or fines resulting from all proceedings or claims against Lasi for infringement or alleged infringement of Intellectual Property rights in relation to the products or services offered, or otherwise arising from the performance of this agreement. Lasi will, as soon as reasonably practicable, notify Customer in writing of any such proceedings or claims. The Customer agrees that Lasi has the right to retain counsel and participate at Lasi's expense, in the defense of any such proceeding or claim and to assist in any settlement negotiations.

## 12. Relationship of the Parties

The relationship of Lasi and Customer as established under this agreement will be and at all times remain one of independent contractors, and neither party will in any way represent itself as having authority to assume or create obligations or otherwise act in any manner on behalf of the other party.

## 13. General

13.1 Neither the Customer nor Lasi will be responsible for failure to meet obligations due to causes beyond their reasonable control.

13.2 The Customer agrees to comply with all applicable import and export control laws and regulations and hereby gives its assurance that products are not intended to be shipped directly or indirectly to prohibited countries. The Customer is responsible for obtaining any and all necessary licenses, consents, government documents and approvals prior to resale, import or any export of product(s) under the laws and regulations of any relevant jurisdiction.

Should any products provided to the Customer be for any Government, the Customer is solely and exclusively responsible for compliance with all statutes and regulations governing sales to such Government.

13.3 The “Long-term Supplier’s Declaration”, relating to preferential/non-preferential origin status, and/or to the Country of Origin of the supplied goods, must be requested at least four weeks in advance, starting from the receipt of the formal purchase order.

13.4 This Agreement will not prevent Lasi from marketing, acquiring or developing materials, products, or services that are similar to or competitive to those of the Customer. Lasi may pursue activities independently with any third party, even if similar to the activities pursued with the Customer.

13.5 Any rights or obligations, which by their nature continue after termination of this agreement, will remain in effect until they are completed.

13.6 No provision of these Terms of Manufacture will be deemed waived and no breach or default excused unless the waiver or excuse is in writing and signed by the party issuing it. A waiver of any provision or breach shall not constitute a waiver of any other provision or subsequent breach.

13.7 Neither party may assign this Agreement in whole or in part without the prior written consent of the other party, except that Lasi may assign this agreement and/or any order or any part(s) of this agreement to any company which is (whether directly or indirectly) controlling, controlled by or under common control with Lasi or to any person who acquires the whole or any part of Lasi’s business.

13.8 Any personal data (name, surname, role/function, e-mail, phone number, address, etc.) including that concerning employees and/or co-workers, people in charge or contacts, of the client, collected within the sphere of this contract shall be processed by Lasi, in the capacity of Data Controller, in compliance with that established by EU General Data Protection Regulation 2016/679 (“GDPR”), solely for the correct execution of the contract, included therein for administrative-accounting purposes and for after-sale assistance service (by virtue of pre-contractual and contractual obligations), in fulfilment of the law (also in the fiscal sphere), and for defense in court of a right or interest of Lasi before any authority or competent body, included expressly therein for the purposes of recovering credit, in order to allow the direct offer by Lasi of products or similar services (so-called soft spamming) to those who were the object of a previous purchase, limited to the e-mail address supplied within the context of a previous contractual relationship (on the basis of a legitimate interest of Lasi). Failure to provide the data shall make it impossible to continue the contractual relationship being established or already established and/or to fulfil the obligations as provided by the contract or by the law. Moreover, the personal data may also be notified outside the European Union to other companies of the group to which Lasi belongs, solely for purposes connected to execution of these contractual conditions and for administrative-accounting purposes. In particular, the data may be transferred to Switzerland, on the basis of an adequacy decision of the EU Commission, to the parent company LasiGroup EMS SA. The personal data shall be kept for the period of time strictly necessary for achieving the purposes indicated and in any case for the maximum amount of time laid down by the provisions of the law applicable concerning the limitation of rights and/or disqualification from action. In any case, without prejudice to the right of the person concerned (individual) to ask at any time for access to the personal data and their correction or cancellation, or to object to their processing, to request limitation of the processing in the cases provided by art. 18 of the GDPR, and to obtain data concerning it, in a structured format, of common usage and legible by automatic devices, in the cases provided by art. 20 of the GDPR. The person concerned is also entitled to make a complaint to the Control Authority. For exercising such rights, a communication may be sent without formality to the address of Lasi headquarters.

13.9 Applicable Law and Jurisdiction The validity, construction and performance of this Agreement shall be governed by and interpreted in accordance with the laws of the Republic of Italy and the parties hereby submit irrevocably to the jurisdiction of the Courts of Busto Arsizio (VA). The UN Convention on Contracts for the International Sale of Goods (Vienna, 1980) shall not apply to this Agreement and/or any Contract or to any dispute or transaction arising out of this Agreement and/or any Contract.