

GENERAL TERMS AND CONDITIONS OF SALE

These General Terms and Conditions of Sale (these “**Terms**”) are incorporated by reference into all quotations and offers by the PETROLVALVES entity specified in the Offer or Order (as defined below) (“**PetrolValves**”), for the sale of its products (“**Products**” or “**Product**” as the case may be). The purchaser of the Products is referred to as the “**Purchaser**,” and PetrolValves and the Purchaser are referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

1. OFFERS - CONTRACTS/ORDERS CONFIRMATIONS

- (a) From time to time, PetrolValves and the Purchaser may enter into one or more work orders, purchase orders or other similar contracts in writing (each, an “**Order**”) for the provision of Products. Each Order shall incorporate the terms of these Terms and shall be a separate and binding contract between the Parties.
- (b) From time-to-time PetrolValves may provide the Purchaser with quotations or offers for sale of Products (each an “**Offer**”). Unless otherwise specifically provided in an Offer, each Offer is valid for thirty (30) calendar days from the date the Offer is issued.
- (c) Any Order submitted by the Purchaser in response to an Offer by PetrolValves shall be treated as an acceptance of PetrolValves’ Offer, and these Terms shall apply to such Order to the exclusion of any Purchaser’s pre-printed terms in such Order or any terms which may be implied into such Order under Applicable Law, as defined in Section 14, unless the Purchaser affirmatively and expressly makes such acceptance conditional on PetrolValves’ assent to additional or different terms.
- (d) If the Purchaser submits to PetrolValves a conditional acceptance of an Offer, then any confirmation issued by PetrolValves shall constitute a new Offer by PetrolValves, and such confirmation shall supersede and replace all of the terms of the Purchaser’s Order, if any. The Purchaser’s acceptance of or payment for Products constitutes the Purchaser’s acceptance of such confirmation.
- (e) These Terms shall apply whether or not they are attached to the Order or the Offer or enclosed with Products to be sold hereunder.

2. ORDER FULFILMENT

- (a) The Order covers only the Products specified in the Order and in the documentation attached thereto.
- (b) Before the delivery of any Product, PetrolValves may make any modifications to the drawings and/or the Products that may be reasonably necessary for the Products to work as intended and comply with all Applicable Laws, as defined in Section 22 (a);

provided, however that any material changes shall be subject to the prior approval of the Purchaser, which approval shall not be unreasonably withheld, conditioned, or delayed.

3. TECHNICAL DATA

- (a) All technical data (including without limitation any weight and dimension data) appearing in the specifications included in the Order or in the Offer is provided “for information only” and is not warranted by PetrolValves, and shall have no binding value, unless specifically warranted by PetrolValves in the Order.
- (b) Catalogues, technical publications and any other advertising materials are supplied by PetrolValves for general information only, and they will have no binding relevance, unless otherwise expressly provided in the Order.

4. TESTS

- (a) Prior to shipment, the Products will be tested according to the terms of the Order, or if no testing requirements are set forth in the Order, according to PetrolValves’ standard testing procedures.
The Order shall specify the first day and the last day of a twenty (20) calendar day period within which the tests shall be conducted (the “**Testing Period**”). If the Order does not specify a Testing Period, the first day of the Testing Period shall be the day following the date on which the assembly of the Products has been completed.
- (b) The Purchaser may attend any Products testing pursuant to the testing procedures set forth in the Order. At least fifteen (15) calendar days prior to the start date of the Testing Period, PetrolValves will notify the Purchaser of the proposed date within such Testing Period when the tests are expected to begin (“**Testing Date**”). If the Purchaser plans to attend any Product testing, it must give PetrolValves written notice of its intent to attend the scheduled tests at least three business days before the commencement of the tests. PetrolValves may adjust the timing of testing with reasonable notice to the Purchaser.
- (c) The results of the tests shall be notified to PetrolValves by the Purchaser (or by the third party appointed by the Purchaser at its costs to conduct such tests) by means of a release note to be issued within three (3) business days from the completion of the tests (the “**Release Note**”). In case of negative outcome of the tests, such outcome shall be anticipated at the end of the tests and a note specifying in detail the reasons for the alleged failure shall be notified to PetrolValves within three (3) business days from the completion of the tests. Should the Purchaser fail to notify the outcome of the

GENERAL TERMS AND CONDITIONS OF SALE

tests to PetrolValves within the aforementioned period of time, the tests shall be deemed to have been positively performed and the Release Note shall be deemed issued on the fourth calendar day following completion of the tests.

- (d) In the event that the Purchaser fails to attend any tests that pursuant to the Order require the Purchaser's presence, PetrolValves shall send the Purchaser written notice of the new proposed date for the testing. Should the Purchaser fail to attend the rescheduled testing on the date(s) specified by PetrolValves, PetrolValves shall be entitled to proceed with the testing in the Purchaser's absence. The Testing Period as well as the Delivery Date (as defined below) for the Products will be extended to account for the delay in the testing caused by Purchaser's failure to attend the tests for whatsoever reason. In the event that PetrolValves proceeds with the testing in the Purchaser's absence in accordance with the foregoing, such tests shall be considered as validly performed as if the Purchaser was in attendance and the results of the tests shall be deemed accepted by the Purchaser.
- (e) If during the manufacturing phase PetrolValves determines that the Products would not be ready for testing within the agreed Testing Period, PetrolValves shall notify the Purchaser in respect thereof. In any such case, the Parties shall discuss with a view to agreeing a new Testing Period acceptable to both Parties and, in case of agreement, execute an amendment to the Order to this effect. If the Parties fail to reach a mutually satisfactory agreement within a period of fifteen (15) calendar days following PetrolValves' notice, PetrolValves shall notify to the Purchaser the new Testing Period or the Testing Date.

5. DELIVERY

- (a) Unless otherwise specified in the Order, the Products will be delivered "FCA" (Incoterms 2020), Italy, 21053 Castellanza (VA), Via Benedetto Croce 50, or at the different PetrolValves' facility designated in the Order. If the Order specifies that EXW Incoterms 2020 are applicable, the Parties expressly agree that the Products will be delivered "EXW (on the vehicle provided by Purchaser) (Incoterms 2020), Italy, 21053 Castellanza (VA), Via Benedetto Croce 50," or at the different PetrolValves' facility specified in the Order. In any such case, (i) PetrolValves will be in charge of loading the Products on the carrier at PetrolValves' facility and (ii) the Purchaser shall promptly provide PetrolValves with all the documentation relating to the custom formalities for export of the Products, and any other documentation required by PetrolValves in order to comply with the terms of the applicable Letters of Credit, if any. Failure by the Purchaser to do

so shall be considered a material breach of the Order.

- (b) The delivery date of the Products shall be the date falling on the seventh business day following the receipt by PetrolValves of the Release Note (whether actual or deemed) ("**Delivery Date**"). If the Order provides for delivery terms other than "FCA" or "EXW" (Incoterms 2020) the delivery date shall be the one established in the Order. The risk of loss and title to the Products will pass to the Purchaser upon delivery to the Purchaser or its designated carrier in accordance with the applicable "FCA" or "EXW" (Incoterms 2020). In the event "EXW" or "FCA" delivery terms apply to the Product, the Purchaser shall be solely and exclusively responsible for and shall bear all related costs and fees in connection with all activities related to the verification and communication of the verified gross mass (VGM) of the Product to be shipped in accordance with the International Convention for the Safety of Life at Sea.
- (c) Without prejudice to any of PetrolValves' rights arising from the Purchaser's breach of its contractual obligations, PetrolValves reserves the right to postpone the Testing Period and the Delivery Date at its reasonable discretion, should the Purchaser fail to meet the deadlines for the performance of its obligations, including its obligations to provide the necessary technical documentation and information to PetrolValves, or to pay any milestone instalment of the purchase price set forth in the Order. In addition, in the event of any change of the Purchaser's control or commercial capacity, as well as any ascertained breach of the Purchaser's contractual obligations, PetrolValves shall be entitled to take all reasonable measures that it deems suitable and necessary to safeguard its interests.
- (d) The Delivery Date shall be indicative and shall have no binding value. Delay in the delivery shall not be deemed to constitute a ground for the Purchaser to reject the Product or cancel the Order. PetrolValves does not accept any liability arising from any delays in the delivery of the Products and/or of the documentation and/or of any other items related thereto. In no event shall PetrolValves be liable for or indemnify the Purchaser for any additional cost, expense, loss or damage whatsoever incurred by the Purchaser as a result of PetrolValves' delivery of such Product, documentation and/or other related item after the Purchaser's requested delivery date (including, without limitation, any cost related to or arising out of loss of production, loss of profit, loss of revenues, loss of business opportunities, shutdowns, and the obligation to ship Products by air).

6. SHIPMENT

- (a) Upon receipt of the Release Note, PetrolValves will

GENERAL TERMS AND CONDITIONS OF SALE

notify the Purchaser that the Product(s) will be ready for shipment from PetrolValves' facility at the Delivery Date (, the "Ready to Ship Notice").

- (b) Unless otherwise specified in the Order or as otherwise agreed by the Parties, transport instructions (including the name of the carrier and the mode of transport) shall be supplied by the Purchaser in advance, and at least before the Testing Date. Should the Purchaser fail to provide PetrolValves with the transport instructions within the aforementioned deadline or otherwise fail to arrange shipment, or should the nominated carrier fail to take the Product(s) into its charge, the Product(s) shall be deemed delivered, and the risk of loss of or damage and title to the Product(s) will pass to the Purchaser, on the Delivery Date.
- (c) Unless otherwise provided in the Order, costs and charges of packaging will be charged to the Purchaser at cost.
- (d) Unless otherwise provided in the Order, PetrolValves may make available for delivery part of the Products covered by an Order and may submit itemized invoices showing the portion of the invoice owed in connection with each partial delivery of Products in accordance with clause 8 below.

7. STORAGE

- (a) Upon advance written notice to PetrolValves, the Purchaser may elect for PetrolValves to store the Product(s) at PetrolValves' facility. In such event, delivery shall occur on the date when PetrolValves issues the Ready to Ship Notice. Should the Purchaser notify to PetrolValves a suspension request after the issuance of Ready to Ship Notice, then PetrolValves is entitled to invoice and to receive the payments as if the delivery had occurred and, at the same time, the Warranty Period starts to run. In such a case, a storage will be granted by PetrolValves at reasonable rates.
- (b) Pursuant to clause 7(a), PetrolValves will arrange for the storage of Products at PetrolValves' premises and Purchaser shall compensate PetrolValves at reasonable rates as established by PetrolValves from time to time and notified to the Purchaser.
- (c) In all events, any risks of loss and damage to the Products that are stored by PetrolValves, after the Products are delivered to, and title to such Products has passed to the Purchaser upon their payment, will be borne by the Purchaser, regardless of the cause of such loss or damage. PetrolValves will use its reasonable endeavours to ensure the Products' safety and maintenance during any period of storage.
- (d) With respect to any Products stored by PetrolValves

pursuant to this clause 7, the Purchaser hereby grants to PetrolValves a purchase money security interest in and to all stored Products to secure the full and timely payment of the amounts due by the Purchaser for such stored Products. The foregoing constitutes a security agreement, and PetrolValves shall have possession of such stored Products to perfect its security interest in those Products. The Purchaser shall file, execute and deliver such security agreements, financing statements and other documents as may be deemed necessary by PetrolValves to protect its rights and perfect said security interests. Products in storage will not be released by PetrolValves until the Purchaser (i) paid the Products, (ii) paid the storage costs and, (iii) returned any bonds different from the Warranty Bond, if due.

8. INVOICING AND PAYMENTS

- (a) Unless otherwise stated in the Order, PetrolValves shall submit invoices for the Products after completion of each of the milestone events as set forth in the Order. Unless otherwise provided in the Order, PetrolValves may submit itemized invoices showing the portion of an invoice owed in connection with any partial delivery of Products made pursuant to clause 6(d) above.
- (b) The price of the Products shall be as set out in the Order. The price of the Products shall exclude (i) amounts in respect of any applicable value added tax (VAT), which the Purchaser shall be liable to pay in addition to the purchase price for the Products at the prevailing rate; and (ii) costs of packaging of the goods incurred in accordance with clause 6(c).
- (c) Unless otherwise stated in the Order, the Purchaser shall pay PetrolValves any amounts due under an invoice within thirty (30) calendar days after the date of the applicable invoice in the manner specified in the invoice.
- (d) If the Purchaser does not timely pay any invoice from PetrolValves in accordance with the terms of the Order, unless otherwise stated in the Order, such invoices will bear interest compounded on a monthly basis at the lesser of (i) 7% per year or (ii) the maximum rate permitted under Applicable Laws, with interest accruing from and after the due date of payment until such invoice is paid in full.
- (e) Should the Purchaser fail to pay any amounts when due hereunder, which failure has not been remedied in full within ten (10) calendar days of a written demand for the amounts due, then in addition to any rights that it may have at law or in equity, PetrolValves may suspend or terminate the Order for breach, without prejudice to PetrolValves' right to

GENERAL TERMS AND CONDITIONS OF SALE

seek payment for the unpaid instalments corresponding to the portion of the Order performed by PetrolValves up to and including the date of such suspension or termination, and any interest accrued thereon in accordance with clause 8(d).

- (f) The Purchaser shall pay all amounts due under the relevant invoice in full without any set-off, counterclaim, deduction or withholding that it may enforce under the Order or any contract (except for any deduction or withholding required by Applicable Laws)
- (g) The Purchaser shall be responsible for and shall pay all costs and expenses reasonably incurred by PetrolValves arising from any changes to the terms of the Order related to the Purchaser's failure to make timely payments of all amounts due.

9. WARRANTY

- (a) PetrolValves warrants that the Products are (i) new, (ii) free from design, material and workmanship defects and (iii) in conformance in all material respects with the Order and any specification, drawing, or other description supplied by the Purchaser to PetrolValves and specifically agreed to in writing as part of the Order; *provided*, that the foregoing warranties do not apply to any defects caused by (x) normal wear and tear; or (y) improper or unsuitable installation, operation, storage, handling and/or maintenance of the Products by the Purchaser.
- (b) In the event of any breach of the warranties set forth in clause 9(a), ***as the Purchaser's sole and exclusive remedy for such breach***, PetrolValves will, at its sole discretion, make good, repair or replace any defective parts of the Product supplied, or if the repair or replacement is not commercially reasonable in PetrolValves' sole discretion, PetrolValves will refund that portion of the compensation that is attributable to the defective parts of the Product supplied.
- (c) PetrolValves' warranty on the Products has a maximum duration of the lesser of: (i) 12 months from the date when the Products are installed, or (ii) 18 months from Delivery Date of the Products, whichever occurs first.
- (d) The Purchaser shall promptly give written notice to PetrolValves of any defects it discovers, and make the Products promptly available for repair.
- (e) PetrolValves shall have the discretion to determine whether the defective Product shall be fixed at PetrolValves' workshops or at the installation site. In this latter case, PetrolValves will send, at its own expense, the skilled personnel required for the repair to the installation site, and the Purchaser shall make available, free of charge, with all applicable duties and

taxes paid, all the support personnel, means, consumables materials and suitable working conditions to carry out the repair.

- (f) Should the replacement of any components be required in accordance with this clause 9, PetrolValves will deliver such replacement components, free of charge, to the place of installation of the Products. Taxes and custom duties, if any, shall be at the Purchaser's expense. The Purchaser shall be solely responsible for all costs associated with removal, transportation, and reinstallation of such components or Products.
- (g) The warranty does not cover, and PetrolValves shall not have any liability to the Purchaser for, any costs or other liability incurred by the Purchaser related to:
 - disassembly, removal, reassembly and/or re-installation of non-conforming Products from the system,
 - (ii) transport by the Purchaser of non-conforming Products from off-shore to on-shore and viceversa,
 - (iii) heavy lifting, rig stand by time,
 - (iv) damage for misuse by the Purchaser,
 - (v) wear and tear,
 - (vi) any damages to Purchaser, or to any of its Customers, or any of its Customers' affiliates' or subcontractors' production plant or property caused by any failure of PetrolValves' Products; or
 - (vii) pollution caused by any failure or malfunctioning of PetrolValves' Products.
- (h) The Purchaser will be responsible for, at its own cost:
 - (i) any disassembling of the defective Products and of any assembling of the parts sent for replacement, and
 - (ii) the storage, maintenance, and return, upon PetrolValves' request, of the disassembled defective components, title to which will pass to PetrolValves upon delivery to the designated PetrolValves' facility.
- (i) The Purchaser shall not fix or alter the Products without PetrolValves' prior written consent, which will not be unreasonably withheld. Failure by the Purchaser to seek PetrolValves' prior written consent pursuant to this clause shall terminate any warranty obligations in relation to the defective Products.
- (j) Subject to clause 9(k), any Products (or parts thereof) repaired or replaced by PetrolValves and furnished under this clause shall be subject to the same warranty terms and conditions set forth above, including the original warranty period described in

GENERAL TERMS AND CONDITIONS OF SALE

clause 9(c) above, it being understood that the obligations of PetrolValves under this clause 9 (j) shall not extend beyond a period of thirty-six (36) months after Delivery Date of the Products.

- (k) Subject to clause 19(f), all PetrolValves' contractual obligations towards the Purchaser with respect to an Order shall expire at the end of the warranty period for the Products delivered under such Order.
- (l) The Parties hereby agree that the warranties set out in this clause 9 are the sole and exclusive warranties given by PetrolValves in respect of the subject matter hereof. All other warranties, whether express or implied by law, including warranties of fitness for a particular purpose and merchantability, are hereby excluded to the fullest extent permitted by Applicable Laws.

10. INDEMNIFICATION

- (a) Notwithstanding anything to the contrary herein, to the fullest extent permitted by Applicable Laws, the Purchaser agrees to defend, indemnify, release and hold harmless PetrolValves, including its affiliates, and its and their respective directors, officers, employees, subcontractors, representatives or agents (collectively, the "**Seller Group**"), from and against any and all demands, claims, losses, liabilities, costs, suits, or causes of action (including, but not limited to, any judgments, fines, penalties, expenses, legal fees, costs of suit, and damages, whether in law or equity and whether in contract, tort or otherwise) (hereinafter the "**Claims**"), for or relating to (i) personal or bodily injury to and/or death of any person, (ii) property loss or damage to any property, and/or (iii) noncompliance with, or liability under, Applicable Laws or regulations, including environmental laws; in each case, arising from, alleged to arise from, or in any way associated with the Purchaser's purchase, transportation, storage, handling, use (or any subsequent end-user's use), disposal, disposition, or re-sale of the Products provided hereunder, or the negligence or fault of the Purchaser or those for whom it is responsible, and regardless of whether due to the negligence (whether sole, joint, or concurrent), fault, breach of duty, or strict liability of the Seller Group, or any other theory of legal liability, except to the extent caused by the gross negligence or willful misconduct of any member of the Seller Group.

11. LIMITATION OF LIABILITY / WAIVER OF CONSEQUENTIAL LOSSES

- (a) Notwithstanding anything stated to the contrary in the Order or these Terms, the Parties agree that the cumulative total liability of PetrolValves arising out of or in connection with the Order, including, but not limited to, all obligations, warranties and guarantees,

whether express or implied, and whether arising out of breach of contract, warranty, tort (including sole, concurrent, or active or passive negligence), strict liability or otherwise, shall not exceed in the aggregate an amount equal to the total payment received by PetrolValves pursuant to the Order.

- (b) In no event, whether as a result of breach of contract, warranty, tort (including negligence) strict liability, delict, quasi delict, indemnity or otherwise, shall either Party be liable for any (i) loss of profits or revenues, loss of production, loss of business opportunity, loss of use of work or any associated equipment, loss of reputation, cost of capital, cost of substitute equipment, facilities, services or replacement power, downtime cost, or (ii) any special, consequential, punitive, incidental or exemplary damages, in each case whether direct, indirect, prospective, or actual, even if such Party has been advised of, or otherwise could have anticipated the possibility of, such damages or liabilities in advance; provided, however, that if any indemnitee is held liable to a third party for any damages which are within the scope of any indemnity given by a Party under these Terms, the Party obligated under the applicable indemnity will be liable for such damages.
- (c) If the Purchaser is not the end user of the Products, but it is furnishing the Products to a third party by contract, the Purchaser shall cause such third party to be bound by a provision which limits the liability of PetrolValves, its subcontractors and suppliers consistent with the limitations set forth in this clause 11. In any event, the Purchaser agrees to indemnify PetrolValves for all claims brought by such third parties against PetrolValves for any amounts exceeding PetrolValves maximum liability as per this clause 11. ***In no event, whether as a result of breach of contract, warranty, tort (including negligence) strict liability, delict, quasi delict, indemnity or otherwise, shall PetrolValves or its subcontractors or suppliers be liable for claims of the Purchaser's customers in connection with the Order.***
- (d) PetrolValves does not accept any express or implied "delivery of essence", "time is of the essence" or any other liability inferring consequential losses.

12. PROHIBITED USE OF THE PRODUCTS

- (a) The Products may be used exclusively for the purposes for which they have been designed and manufactured. The Products, or any parts thereof, shall not be used in connection with any activity, or as a part of any facility, which may be connected with the nuclear fission or fusion or with the radioactive material handling. Should such use be requested by the Purchaser or to the Purchaser by third parties, the Purchaser shall promptly advise PetrolValves with the

GENERAL TERMS AND CONDITIONS OF SALE

use where to the Products are destined. Thus, PetrolValves shall not have any liability whatsoever in connection with the use of the Products in violation of the above.

13. ARBITRATION

- (a) Any dispute or controversy arising out of, or in connection with, these Terms or the Order, whether in tort, contract, under statute or otherwise, including, without limitation, those relating to the subject matter, interpretation, validity, performance, breach or termination of these Terms or the Order, which cannot be amicably settled by the Parties (or their successors), will be resolved by final and binding arbitration conducted by the London Court of International Arbitration ("LCIA") in accordance with the LCIA Arbitration Rules (the "Rules"). The arbitral tribunal shall be composed of three arbitrators – one of which shall be nominated by each Party, and the chairman shall be nominated by the two Party-nominated arbitrators acting jointly. In the event either of the Parties fails to nominate an arbitrator, or the Party-nominated arbitrators are unable to nominate a chairman, such arbitrator(s) shall be appointed by the LCIA in accordance with the Rules. In the case of proceedings for which the monetary value of the dispute does not exceed €1,000,000, one arbitrator shall be appointed, in each case in accordance with the Rules.
- (b) The award shall be final and binding on the Parties.
- (c) The seat of the arbitration will be London, England or elsewhere as otherwise mutually agreed by the Parties.
- (d) The language of the arbitration will be English, unless otherwise mutually agreed by the Parties.

14. APPLICABLE LAW

- (a) These Terms and the Order, and any other related documents, shall be governed by, and construed in accordance with, the laws of England and Wales, without reference to any choice of law principle which would result in the application of any other law. The United Nations Convention on Contracts for the International Sale of Goods, 1980 does not apply to these Terms or the Order.

15. EXPORT OF GOODS

- (a) Upon receipt of the Order, PetrolValves will analyze the scope of supply and advise which items fall within the dual use regulations based on the directives of the European reference standards, Regulation (EU) n° 388/2012 of the European Parliament and of the European Council dated 19 April 2012, amending regulation (EC) n° 428/2009 of the European Council establishing a community regime for the control of

exports, transfer, brokering and transit of dual-use items.

- (b) The Purchaser shall provide PetrolValves with an end user statement in order to complete any necessary customs documentation related to the export or import of the Products. No shipments will be possible without the necessary end user statement, and PetrolValves reserves the right to suspend the Order for cause, should the Purchaser fail to provide PetrolValves with the required information at least ninety (90) calendar days prior to the scheduled date of shipment. In the event the Delivery Date of any Products is delayed due to the Purchaser's failure to timely provide PetrolValves with the required information, clause 5(c) shall apply and in no event shall PetrolValves be liable for, or indemnify the Purchaser for any additional cost, expense, loss or damage whatsoever incurred by the Purchaser.

16. INTELLECTUAL PROPERTY MATTERS / CONFIDENTIALITY

- (a) PetrolValves will retain all rights, title and interest in and to any intellectual property (i) it owned prior to or developed independently of its obligations under the Order, and (ii) used by PetrolValves in connection with or to perform the Order, but excluding any such rights which are based on or arise out of the Purchaser's intellectual property rights or the Purchaser's Confidential Information.
- (b) PetrolValves owns and expressly reserves all rights, title and interest in and to any intellectual property rights created, invented or elaborated for the purposes of the Order or related to or embodied in any Products furnished under any Order.
- (c) All rights, title and interest in and to the drawings, specifications, designs, studies, results of calculations, inventions and all the technical documentation concerning the manufacture of the Products covered by the Order and any other means of capturing information prepared by PetrolValves under any Order shall remain the exclusive property of PetrolValves.
- (d) Neither Party will disclose, and each Party shall use reasonable efforts to prevent a disclosure, to a third party of the other Party's confidential or proprietary information which is furnished to or accessed by the other Party or any person or entity acting on its behalf in connection with the Order ("Confidential Information"). Each Party will use the other Party's Confidential Information only in connection with performance of the Order. A Party may disclose the other Party's Confidential Information only to the extent: (i) disclosure is expressly permitted by the Order; (ii) the non-disclosing Party has requested or

GENERAL TERMS AND CONDITIONS OF SALE

consented in writing to the disclosure; or (iii) disclosure is necessary to perform or use the work and is made only to those employees, representatives, and subcontractors of the disclosing Party who have a need to know such Confidential Information to perform its obligations under the Order and who have agreed to be bound by confidentiality provisions no less stringent than those assumed hereunder. Any restriction on disclosure and use does not apply to information that: (i) is or becomes generally available to the public other than as a result of disclosure by the disclosing Party; (ii) was or is disclosed to the disclosing Party without an obligation of confidentiality by a third party who has the legal right to do so; or (iii) was or is developed by the disclosing Party independently of the other Party's Confidential Information.

- (e) If a Party is required to disclose any of the other Party's Confidential Information because it is ordered by courts, arbitrators, or governmental authorities, under Applicable Laws, the disclosing Party will give prompt notice to the non-disclosing Party. The disclosing Party will furnish only that part of the non-disclosing Party's Confidential Information that is legally required to be furnished and will use reasonable endeavors to ensure appropriate treatment is accorded to such Confidential Information which is so disclosed.

17. IP INFRINGEMENT

- (a) PetrolValves warrants that the use by the Purchaser of all Products, proprietary designs, processes or materials supplied under any Order does not constitute an infringement of any patent, copyright, trademark, trade secret or other intellectual property right of any third party. PetrolValves shall indemnify, defend and hold the Purchaser harmless from all costs and expenses related to any suit, claim or proceeding brought against the Purchaser, its affiliates and/or its and their customers based on a claim that any article or apparatus, or any part thereof constituting Products constitutes an infringement of any patent, copyright, trademark, trade secret or other intellectual property right of any third party; *provided, however*, that PetrolValves does not warrant against, and shall not be liable for, infringement by reason of (i) the use of any information provided, (ii) the use of any Products in combination with other goods, services, or information or in the operation of any process, or (iii) the compliance by PetrolValves with any specifications provided to PetrolValves by the Purchaser, or (iv) the use of items supplied by the Purchaser". The Purchaser shall notify PetrolValves promptly of any such suit, claim or proceeding and give PetrolValves authority, information, and assistance (at PetrolValves' expense) for the defense

and settlement thereof, and PetrolValves shall pay all damages and costs awarded therein.

- (b) In the event that such use by the Purchaser of PetrolValves' Products, proprietary designs, processes or materials supplied under any Order is considered to be an infringement of any third party intellectual property right, ***as the Purchaser's sole and exclusive remedy for such infringement***, then PetrolValves shall, at its sole expense and at its option, either (i) procure for the Purchaser the right to continue using such Products, proprietary designs, processes or materials, (ii) replace the same with a non-infringing equivalent, or (iii) provide a refund or credit to the Purchaser for the purchase price of such Products, proprietary designs, processes or materials.
- (c) The Purchaser warrants that the use by PetrolValves of the Purchaser's proprietary designs, processes, equipment or materials supplied under any Order does not constitute an infringement of any patent, copyright, trademark, trade secret or other intellectual property, proprietary or confidentiality right of any third party. In the event that such use by PetrolValves of the Purchaser's proprietary designs, processes, equipment or materials so supplied under an Order constitutes an infringement of any such rights of a third party, the Purchaser shall indemnify, defend and hold PetrolValves harmless from all costs and expenses related to any suit, claim or proceeding brought against PetrolValves, its affiliates and/or its and their customers.

18. FORCE MAJEURE/HARDSHIP

- (a) If either Party is delayed in performing or unable by reason of Force Majeure to carry out any of its obligations hereunder or under an Order, other than any obligations to pay money, then on such Party giving notice and particulars in writing to the other Party within a reasonable time after the occurrence of the cause relied upon, such obligations shall be suspended, and such Party shall be relieved from its duty to perform its obligations under the Order and from any liability in damages or from any other contractual remedy for breach of contract, from the time at which the impediment causes inability to perform and, during the event of Force Majeure. No event of Force Majeure affecting the performance of any obligation of either Party will relieve that Party from performance of any other obligation not affected by the event of Force Majeure, and the affected Party shall promptly take all commercially reasonable steps to mitigate the effect of such Force Majeure.
- (b) "**Force Majeure**" means any event or circumstance which is not reasonably foreseeable, beyond the reasonable control of the affected Party and which

GENERAL TERMS AND CONDITIONS OF SALE

affects the performance of such Party's contractual obligations. "Force Majeure" includes, but is not limited to, acts of God, plague, epidemic, natural disaster or extreme natural event,, hurricanes, earthquakes storms, lightning, fire, floods, washout, strikes, the inability to obtain materials or parts (where such inability is not reasonably within the control of the affected Party), the order of any governmental authority, the suspension, termination, interruption, denial or delay in obtaining or failure of renewal or issuance of any governmental approval or permit relating to the Products (but only if such suspension, termination, interruption, denial or delay is not reasonably within the control of the affected Party), explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy, war (whether declared or not), hostilities, invasion, act of foreign enemies, civil war, riot, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy currency and trade restriction, embargo, sanction, expropriation, seizure of works, requisition, nationalisation, contamination by hazardous properties, terrorism, general labour disturbance such as boycott, strike and lock-out, go-slow, occupation of factories and premises and any other causes that are not reasonably within the control of the affected Party.

- (c) Should the delay following a Force Majeure event exceed sixty (60) calendar days, or such other suspension period as may be agreed between the Parties from time to time, either Party will be entitled to cancel the Order or the Parties may otherwise agree upon revised terms to account for the consequences of the Force Majeure event. In the event of a cancellation of an Order under this clause 18(c), PetrolValves shall be entitled to receive, and the Purchaser shall pay to PetrolValves (i) the amount corresponding to the portion of the Order performed by PetrolValves until the date of such cancellation, together with the cost of work in progress and all reasonable expenses borne by PetrolValves in relation to such cancellation, excluding profits, and (ii) the applicable cancellation fee as set forth in Section 19 (e) (each referred to herein as a "**Cancellation Fee**") if the Order was cancelled by the Purchaser. Should the Parties decide not to terminate the Order they will agree the new Delivery Date as well as to amend/modify all those contractual clauses which may suffer impacts the Force Majeure event.

19. TERMINATION OR CANCELLATION OF ORDER

- (a) In the event of any breach by either Party of any material provision of the Order or these Terms, the non-breaching Party will provide notice to the other Party specifying the breach and requesting it to be

remedied promptly and within seven calendar days or such other period as reasonably determined by the Parties. If the breaching Party fails to reasonably work to promptly remedy the breach or fails to remedy the breach within the agreed period, the non-breaching Party may immediately terminate the Order for cause upon written notice to the breaching Party. The foregoing is in addition to any other rights of the Parties to terminate or cancel the Order under these Terms, including, without limitation, PetrolValves' right to terminate in accordance with clause 8(e) hereof if the Purchaser fails to pay any amounts when due.

- (b) Either Party may terminate the Order for cause by written notice to the other Party with immediate effect if the other Party takes any step or action to commence administration, liquidation or winding-up proceedings (whether voluntary or involuntary), takes any action in relation with any composition or arrangement with its creditors (other than a solvent restructuring) or has a receiver appointed to any of its assets, or ceases to carry on all or a substantial part of its business, or if such steps or action is taken in any other jurisdiction in connection with any analogous procedures in that jurisdiction.
- (c) In the case of the termination of an Order pursuant to clauses 19(a) or (b), the Purchaser shall pay to PetrolValves (i) the amount corresponding to the portion of the Order performed by PetrolValves until the date of such termination, together with the cost of work in progress and all reasonable expenses borne by PetrolValves in relation to such termination, and (ii) the Cancellation Fee set forth in Section 19 (e), if the Order was terminated by PetrolValves.
- (d) Without prejudice to clauses 8(e) and 18(c) above, in case of a partial or full cancellation of an Order by the Purchaser, the Purchaser must give fifteen (15) calendar days' prior written notice to PetrolValves and communicate the reason why the Order is being cancelled. PetrolValves will immediately stop all works relating to the Order.
- (e) Should the Purchaser cancel an Order without cause, the Purchaser shall pay PetrolValves (i) the amount corresponding to the portion of the Order performed by PetrolValves until the date of such cancellation, together with the cost of all work in progress and all reasonable expenses borne by PetrolValves in relation to such cancellation, including any cancellation fees due to sub-suppliers and (ii) the following Cancellation Fee (i) cancellation between Order's date and placement of sub-orders: 5% of the entire purchase price; (ii) cancellation after receipt of materials: 30% of the entire purchase price; (iii) cancellation after machining: 55% of the entire

GENERAL TERMS AND CONDITIONS OF SALE

purchase price; (iv) cancellation after assembly: 70% of the entire purchase price; (v) cancellation after testing: 85% of the entire purchase price; (vi) cancellation after packing: 100% of the entire purchase price.

- (f) Upon termination of an Order, any provision of the Order that is expressly intended to continue in force on or after such termination shall remain in full force and effect.

20. SUSPENSION OF THE ORDER

- (a) The Purchaser may suspend the Order for convenience upon seven calendar days' prior written notice to PetrolValves; *provided*, that the suspension of any Order shall not exceed a period of sixty (60) calendar days in the aggregate in any twelve (12) month period. In the event of any such suspension, the Purchaser shall reimburse PetrolValves for reasonable, documented, and non-recoverable expenses as a result of such suspension that could not have reasonably been avoided by PetrolValves; and the Purchaser shall pay PetrolValves reasonable standby compensation for the duration of the suspension.
- (b) If the Purchaser wishes the suspension to continue in effect for more than sixty (60) calendar days, PetrolValves will be entitled to treat the Order as cancelled pursuant to clause 19(e), in which case the Purchaser will be obligated to pay to PetrolValves (i) all outstanding instalment payments including the reasonable costs for work in progress, (ii) all reasonable expenses incurred by PetrolValves in relation to such suspension, or (iii) the Cancellation Fee set forth in Section 19 (e).
- (c) During the Order's suspension period, the previously issued invoices shall be paid by the Purchaser in accordance with these Terms.

21. DOCUMENTATION

- (a) The turn-around time for the Purchaser's comments to any Offer or documentation should not exceed fifteen (15) calendar days from receipt of the same. Any Purchaser's delay in returning the relevant documentation will entitle PetrolValves to reschedule the applicable Products' delivery timeline.
- (b) Unless otherwise agreed between the Parties, the Purchaser may comment on the documents submitted for approval only once; and the delivery of revised documents from PetrolValves will be considered as final. Any subsequent review by the Purchaser may affect the delivery process, Testing Period, Testing Date, Delivery Date and/or the final Product's price, which PetrolValves will be entitled to adjust or reschedule as reasonably necessary and for which

PetrolValves accepts no liability.

22. COMPLIANCE WITH LAWS; ETHICS

- (a) Each Party hereby expressly agrees to comply with, and to cause its employees and/or agents to comply with, in relation to that Party, all applicable laws, statutes, legislation, legislative provisions, rules, regulations, ordinances, directives, codes, executive orders and other applicable requirements of all governmental agencies and other regulatory bodies having jurisdiction over the work provided under any Order ("**Applicable Laws**"), including without limitation all those requirements relating in any way to employment or labour practices and protection of the environment.
- (b) Each Party hereby represents and warrants to the other Party that it and its affiliates, and their respective officers and agents have each conducted (and shall continue to conduct) all their respective activities in connection with the work provided under these Terms in accordance with all, and without violation of any, Applicable Laws relating to anti-corruption or money laundering. Each Party further covenants that it and its affiliates have not made, offered, or authorised and shall not make, offer, or authorise with respect to the matters that are the subject of these Terms, any payment, gift, promise, loan, benefit, thing of value or other advantage, whether directly or through any other persons, to or for the use or benefit of (a) any public official or government representative or (b) directors, general managers, managers, statutory auditors, liquidators, or individuals who are managed or supervised by the preceding persons, where such payment, gift, promise, loan, benefit, thing of value or advantage would violate: (i) the laws of the country of incorporation of that Party or Party's ultimate parent company or of the principal place of business of such ultimate parent company; (ii) the principles described in the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; or (iii) the United States Foreign Corrupt Practices Act of 1977, or the United Kingdom Bribery Act 2010.
- (c) Failure to comply with the obligations and the provisions set forth above by the Purchaser constitutes a material breach of these Terms and entitles PetrolValves to terminate these Terms and the Order with immediate effect, without prejudice to PetrolValves' right to compensation for any damages incurred as a result of the Purchaser's breach.

23. DATA PROTECTION

- (a) Pursuant to regulation (eu) 2016/679 (the "Regulation"), PetrolValves, as Controller of the Data Processing, is authorized to gather and to process

GENERAL TERMS AND CONDITIONS OF SALE

certain personal data related to the individuals who act in the name and on behalf of Purchaser or, in any case, related to the latter by virtue of a subordinated employment relationship (the "**Relevant Persons**"). The gathering of personal data may take place (i) at the premises of the Relevant Persons; (ii) at Purchaser's premises; (iii) at the premises of third parties through access to public registers or (iv) indirectly through security systems (for example, through closed-circuit video cameras or other systems to control access to the company's offices) duly authorized in accordance with the applicable legal framework in force. The processing of the personal data will be performed in compliance with the principles of necessity and avoidance of excessive processing imposed under the Regulation. It follows that such data processing will not involve, merely by way of example, personal data that is not relevant for the purposes of this agreement and schedule 1.

- (b) The processing of personal data takes place through hard copy, computer-based and electronic instruments, using procedures and forms strictly related to the performance of the activities described above in compliance with the provisions on security measures set forth in the regulation. The confidentiality and security of the personal data of the Relevant Persons are therefore guaranteed in accordance with the applicable legal framework. moreover, in accordance with the provisions of the Regulation, the personal data gathered by PetrolValves is kept for a period not to exceed that necessary for the pursuit of the purposes described above.
- (c) Subject to the limits provided under the Regulation, PetrolValves may use and disclose such data to third parties for purposes related to this agreement and for the purposes indicated in PetrolValves' information on the processing of personal data, a copy of which will be delivered to the Purchaser. Purchaser undertakes to deliver a copy of such information to the Relevant Persons as well. By signing this agreement, the Purchaser declares and confirms that it has received a copy of PetrolValves' information on the processing of personal data.
- (d) Moreover, pursuant to and for purposes of art. 6 of the Regulation, the grant of consent is not required for the processing of data carried out (i) in order to fulfil specific obligations imposed by law; (ii) for the management of any employment relationship in fulfilment of legal obligations or of contractual obligations; (iii) in order to enforce or defend a right in legal proceedings. The consent may be requested for the performance of additional activities. By signing this agreement, if needed, the Purchaser undertakes to provide to the Relevant Persons a copy of the attached information on the processing of personal

data (schedule 1) and to deliver to PetrolValves the same document, bearing the original signature of each of the Relevant Persons. In relation to the situations in which the gathering and processing of personal data require the Relevant Persons' consent, the gathering and processing of the data by PetrolValves remain, in any case, conditioned upon the Relevant Persons' consent.

- (e) A list of the Persons in charge of the data processing is available at PetrolValves' registered office. By writing to the same address, the Relevant Persons may exercise the rights provided under articles 12-21 of the Regulation, and obtain a copy of the personal data in PetrolValves' possession, their cancellation, updating or correction in accordance with applicable provisions of law.

24. EXPORT CONTROL & NO RE-EXPORT TO RUSSIA

- (f) The Purchaser undertakes to respect the European Union USA and Italian export control laws. The Purchaser will, inter alia, ensure full compliance with the Common Foreign and Security Policy sanctions and embargoes in force by the European Union as well as with the laws, statutes and regulations by the United States of America with respect to embargoes and sanctions. The Purchaser will not sell, transfer, loan or render in any other direct or indirect manner available the Goods and/or the Services related to the products to any individual, company, association or organization which is currently back-listed by the European Union and/or a denied party by the United States of America with respect to embargoes and sanctions. The Purchaser will not sell, transfer, loan or render in any other direct or indirect manner the Goods or the corresponding services available to any individual, company, association or organization which is directly connected with military or para-military activities or with nuclear proliferation.
- (g) The Purchaser shall not sell, export or re-export, directly or indirectly, to the Russian Federation or for use in the Russian Federation any goods supplied under or in connection with these Terms that fall under the scope of Article 12g of Council Regulation (EU) No 833/2014. The Purchaser shall undertake its best efforts to ensure that the purpose of this section is not frustrated by any third parties further down the commercial chain, including by possible resellers. The Purchaser shall set up and maintain an adequate monitoring mechanism to detect conduct by any third parties further down the commercial chain, including by possible resellers, that would frustrate the purpose of this section. Any violation of the content of this section shall constitute a material breach of an essential element of these Terms or of the relevant Order, and PetrolValves shall be entitled to seek appropriate

GENERAL TERMS AND CONDITIONS OF SALE

remedies, including, but not limited to: (i) termination of these Terms and of the relevant Order; and (ii) a penalty of 100% of the total value of these Terms of the Order or of the price of the goods exported, whichever is higher.

The Purchaser shall immediately inform PetrolValves about any problems in applying this section, including any relevant activities by third parties that could frustrate the purpose of this section. The Purchaser shall make available to PetrolValves information concerning compliance with the obligations under this section within two weeks of the simple request of such information.

25. OTHER PROVISIONS

- (a) **Assignment.** Neither Party shall be entitled to assign or transfer any or all of its rights and/or obligations under these Terms or under any Order without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. In the event of an assignment by the Purchaser of these Terms or any Order, the Purchaser shall remain fully liable for any assignee's performance of its obligations under such Order and these Terms.
- (b) **Entire Agreement.** These Terms and each Order constitute the entire agreement between the Parties in relation to their subject matter, and supersede and extinguish all previous agreements, promises, assurances, representations, warranties between them, whether written or oral.
- (c) **Variation.** No variation of these Terms or of any Order shall be effective unless it is in writing and signed by both Parties.
- (d) **Waiver.** A waiver of any right and remedy shall not be effective unless given in writing. Any delay or failure to exercise any right or remedy shall not constitute a waiver of that right or remedy nor shall it prevent or restrict the further exercise of that or any other right or remedy.
- (e) **Severance.** If any provision or part-provision of these Terms or any Order, as applicable, is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of these Terms or the Order, as applicable.
- (f) **Third Party Rights.** The operation of the Contracts (Rights of Third Parties) Act 1999 is hereby excluded and save as expressly provided herein, no term of this

Agreement is intended to confer any legally enforceable rights on any person who is not a Party. Where an obligation is expressly stated to be enforceable by a third party, the consent of that third party shall not be required to rescind, vary, supplement or terminate these Terms.

DATE AND PLACE _____

Official seal or stamp and signature of the Purchaser

SIGNATURE _____
NAME _____
TITLE _____

Purchaser expressly declares to have initialled each page of these General Terms and Conditions, has express knowledge of them and accept what provided for under each article herein contained.

Official seal or stamp and signature of the Purchaser

SIGNATURE _____
NAME _____
TITLE _____
