

GENERAL CONDITION OF SALE

1. VALID CONTEXT

- 1.1. These commercial conditions are valid for all the present and future business between us and the buyer. They become valid through assignment of the contract or acceptance of the supply - different conditions or contrary statements of the buyer are not valid even though we do not object clearly.
- 1.2. Variations are subject to written approval for each single contract, the same is valid in case of spoken agreement. The abolition of the written form is possible only in the written form.
- 1.3. Should any single norm be totally or in part modified the validity of the remaining ones or the remaining parts of the norm itself are still valid.

2. OFFERS AND STIPULATION OF THE CONTRACT

- 2.1. Our offers are unbinding, tacit acceptance of the agreements is excluded. The purchase contract is issued through or written confirmation or upon execution of the contract and only under our general conditions of sales, delivery and payment.
- 2.2. Our samples and our tests are intended to be simple patterns data or other declaration, regarding the quality of the goods are only approximate and will not guarantee them in the written form.
- 2.3. Should the buyer not be reliable after the contract has been issued, we will claim the right of the payment of other pre-existing credits or of rescinding the contract.
- 2.4. The order cancellation is not possible after initiated special production and/or after placement of order for specially paid for raw materials, and/or after standard products are already cutted by the Supplier. The eventual cancellation of order must be confirmed in the written form by Radici.
- 2.5. An order confirmation will be issued by Radici with a written form and the buyer has 2 work-day to accept all the conditions (prices, quantity, product, term of payment, term of delivery).

3. PRICES

- 3.1. The prices valid are those of the price-list valid when the goods are delivered, unless otherwise agreed upon in the written form. Our prices are intended ex works excluded with the exclusion of packing and V.A.T. (Value Added Tax) at the day of delivery. In case of rise of the prices or the costs, changes in the rate of the origin taxes, custom duties taxed, impositions and so on between the confirmation of the delivery of the goods there will be an increase in price if not otherwise agreed upon in writing.

4. DELIVERY

- 4.1. Term delivery are subject to our written approval. Should our delivery capacity be reduced by machines break down or impediments in transportation or delay in the delivery from our supplier, or strikes, or lock outs, authorities measures or other causes beyond our control, we reserve us the right to postpone the delivery term or to rescind the contract in part or totally.
- 4.2. Partial delivery are allowed and will be considered as unique operations.
- 4.3. In case of contracts of consecutive delivery we can state a reasonable term for a request or acceptance: after the expiration or case of non observance of the conditions we have the right to rescind the rest of the contract or to ask the payment of a penalty for the non - observance of the contract or to dispose somehow else of the goods.
- 4.4. Delivery is at the buyer's risk, also with a contribution on the transport cost - in case of wreck, loss or damage of the goods the risk passes to the buyer at the very moment of the delivery, that is when the goods are consigned to the carrier or in case the buyer itself collects the goods are the disposal of the buyer. On receipt of the Products, the Buyer shall promptly inspect said products and the related shipping documents. The Buyer shall indicate any clearly visible defects on the shipping document/CMR. Radici don't accept claims if, during the unloading procedure, the Customer use inadequate forklift / Equipment for the handling of carpet rolls.
- 4.5. The goods will be insured only on the request and to the charge of the buyer.
- 4.6. In case of damages to our supply insured to our charge we ask a certification of the railway company post office, forwarding agency or carrier, certifying the damage. In case of complaints the certificate should be presented together with a conveyance.
- 4.7. Delivery is intended ex works or ex our warehouse at the buyers risk or free on wharf of the consignee through the easiest way for the supplier in case of delivery of goods whose amount is below 300,00 EURO the buyer bears the costs of delivery that is he bears the costs from the wharf of the consignee. Further costs, deriving from particular request (ex: express delivery, particular provisions for the delivery, a particular route or partial delivery are to the charge of the buyer).
- 4.8. Should the buyer himself collect the goods or should he ask works of ex warehouse delivery conditions, the transport freight can be deducted following the goods tariffs of the Italian railway up to the wharf of the consignee. For the refund will be considered the Italian railway up to the consignee. For the refund will be considered the route between the factory of the producer, therefore the warehouse of the seller and the seat of the main branch of the buyer when this is the place agreed for the goods.
- 4.9. In case the seller delivers directly to the consignee of the buyer, all the costs from the factory of the producer, that is from the warehouse to the consignee are borne from the buyer. This is not valid in case of delivery to retailers - reductions of the costs will not be guaranteed - purchases in case of direct delivery are invariable.
In case of single purchases we can organize groupage delivery without any delay in the dispatch.
- 4.10. Should particular lot be offered all the provisions sales remain valid.
- 4.11. If the Customer fails to accept delivery by the Company or to pick up goods within 7 days of notice (whichever may be the case) the Company at its own initiative (and without prejudice to any rights against the Customer) or at the request of the Customer may store the goods at the risk of the Customer and the Customer shall pay upon demand the reasonable storage costs of the Company and all other expenses involved including costs of re-delivery loading and unloading and the goods may be re-invoiced at the rates ruling at the date of the actual delivery and interest charged on the invoice value of the goods for the duration of the delay at 5% over the Banca d'Italia base lending rate.
- 4.12. If the Customer don't use appropriate forklift, Radici don't accept claims

5. DELAY FOR SUBSEQUENT DELIVERY

- 5.1 At the expiration of the delivery terms and without any notice we dispose a subsequent delivery term lasting a maximum of 18 days. At the expiration of the delay it is valid the recess from the contract with the only exception of the entitlement for damages. After expiration of the delay of the subsequent delivery the seller is free from any delivery duties, if during the delay or after the expiration he has enforced the buyer to declare if he expects the fulfilment of the contract and the latter does not declare anything. Future contracts will not be issued.
- 5.2 Should the buyer claim for damages due to non fulfilment or delay or should he claim the right to recede from the contract, he has to grant an extension of 4 weeks, menacing to refuse the fulfilment of contract by the laps of the terms. The delivery extension starts from the day the buyer sends a written message or a telemesssage, these norms are valid also the buyer expects the fulfilment of the contract in accordance with the paragraph one.
- 5.3 An extension of maximum 5 days is accepted for the goods available in stock, in all the other cases are valid the norms of the paragraph 1 and 2.
- 5.4 Any rights of the buyer for delayed deliveries are excluded before the expiration of the extension.

6. PAYMENT CONDITIONS

- 6.1 We reserve the right to accept bills or cheques, the acceptance is limited to payment of half of the amount of the invoice; cheques are considered valid as payment after the crediting the bills after the collection at the expiration day - discount expenses are at the charge of the buyer, have to be payed cash, immediately and with no delay. We do not accept any commitments for protective measures for bills or negotiable rights.
- 6.2 In case of full payment interest and costs will be credited first, then the highest request. Any other different disposition of the buyer have no effect.
- 6.3 In case of delayed payment or of falling due bills or cheque, should the buyer not pay them all our credits included our falling due bills. We reserve ourselves the right to credit interest on delayed payment equal to those charged on the current accounts, and at least 3% higher more than the discount rate of the banca d'ITALIA.
- 6.4 In case of contestation of invoices they should be made in the written form and within two months from the expiration day, otherwise the invoice will be considered valid.
- 6.5 In case of delivery of extraordinary lot sales, no bonus, reduction or promotion will be granted. Spoken agreements of the prices should be confirmed in the written form.

7. COMPENSATION AND DEDUCTION

- 7.1 The buyer has the right of compensation and of deduction when counterpart credit is indisputable and legally valid.

8. LIEN AND ANTICIPATED CONVEYANCE

- 8.1 We reserve ourselves the lien on all of our supplies until the payment of the deliveries deriving from the business relationship.
- 8.2 The buyer can sell the goods only in regular business. He has no right of attachment transfer or guarantee deposit.
- 8.3 The buyer relinquishes us all the rights deriving from the sale of goods of our present and future supplies, included a credits deriving from bills, cheques. These same is valid in case of contracts for services and works whose supply extinguish the lien. We accept this relinquish.
- 8.4 The buyer has the right until our revocation to collect is relinquished credits.
The right of collecting extinguishes itself - even without our explicit revocation when the buyer does not fulfil his duty with us or goes to rack and ruins in which case his payments are suspended or in case he applies for a composition with creditor or bankruptcy proceedings or in case the debtor is wound up.
- 8.5 In case the purchaser does not pay in accordance with the contract or goes bankrupt, although our rights we can claim the issuing of the property and (let him obtain) get him to obtain directly or through a procurator the immediate posses. Therefore we have the right to enter the rooms where the goods are located. The buyer allows us, since now, should it be necessary to introduce third parties as representatives of the buyer. To establish where the reserved goods are we allowed to take note of the commercial documents of the purchaser.
The costs of resuming the possessions are at the purchaser's charge.
- 8.6 The resumed possession of the goods does not mean the termination of the contract. We have the right to sell freely at the best offer the goods resumed.
- 8.7 Should the value of the guarantees raise the credits to be guaranteed more than the 20%, we will reserve ourselves the right to release the aforementioned guarantees at the purchaser's charge.
- 8.8 The buyer has the duty to issue an insurance for the goods which are under our lien against damages which can be insured: flood, fire, theft. He relinquishes us in advance the right coming from these insurance contracts. We accept the conveyance.

9. COMPLAINS AND GUARANTEES

- 9.1 Should our goods turn out to be imperfect or should they not respond to the guaranteed quality, we must arbitrarily - either the exclusion of any further pretention of guarantees - replace the goods, or better the quality of the sold ones. Should the defects evident the purchaser will communicate his claim in the written form and immediately, within two weeks from receiving from goods. Should the defects not be evident, the claim can be done 6 months from the expiration of the guarantee.
- 9.2 Little irregularity in the quality, equipment, dimensions, thickness, samples or colours are not recognised, even damages which are unavoidable. In particular shading which might be caused in the velour after usage or caused by different causes in the transportation can not depend from the material or from the construction. Shedding of velours carpet is a normal process of any product, and will minimize over time.
For new carpet and rugs, we suggest vacuuming as often as two to three times a week until the shedding lessens. Much of the early wool shedding is caused by small fiber clippings that result from the shearing process. Shedding in no way reduces or shortens the life of the carpet.
- 9.3 Traces of usage do not represent characteristic of the product, but they are proves of natural wear.

- 9.4 We do not accept claims for inferior quality articles or for special lots, in case the ware has not been considered essential damage or the fault has already been considered in the place.
- 9.5 Should the betterment or a subsequent delivery fail, the buyer has the right to recede from the contract or to reduce the purchasing price. Any other pretention, in particular claims for damages are not allowed, should our forced responsibility be proved or any of the guaranteed specification not be recognizable, we will only reduce the prime of the goods in question of 1.5.
- 9.6 In case of replacement or betterment of the good we have the same responsibility as with the original ones.
- 9.7 We can substitute or make subsequent delivery for the current production, but not for special products.
- 9.8 Claims for consignment supply do not allow the purchaser to refuse other forwarding regarding the same contract or others.
- 9.9 our measures to reduce the fault do not represent an admission of the fault, we do not renounce to demure that is unfounded and inadequate.
- 9.10 Any complaint about open defects is excluded after cutting or processing the delivered goods. The right to invoke lack of conformity lapses if the cutting or processing of the product is initiated. It is the responsibility of the buyer/customer to check colour matching and pattern repeat prior to installation of carpet lengths to be installed next to each other. The burden of proof rests with the buyer/customer for a suitable and flawless subfloor, correct treatment and compliance with the Installation guide.

If for different reasons it becomes necessary to install defective goods provisionally, double sided adhesive tape has to be applied to the defective area.

- 9.11 The Customer is legally bound to take the goods comprised in the contract and return of goods will not be accepted unless prior authorisation has been given by the Company in writing. The amount of credit that may be allowed in respect of goods returned due to Customer error (if accepted) is entirely at the discretion of the Company and will in no event exceed 75% of the invoiced value. Subject as above scrap value only will be allowed on carpet which is on return is found by the Company to be damaged or defective for any reason. The Customer shall be responsible for the packing and maintenance in respect of all goods that are returned to the Company for any reason whatsoever.
- 9.12 In case of special products the Over deliveries agreed upon in the contract have to be accepted by the customer
- 9.13 Construction data For specified construction data it applies that with regard to test method and margins they are in accordance with the valid European EN 1307 standard for textile floorings. Special considerations for individual products must be noticed and will appear from Technical descriptions in general, specific Product data and the Installation- and cleaning guide.
- 9.14 Technical information on price lists, technical cards or sampling can be changed without the need for the Company to notify the Customer.
- 9.15 Colour deviation: Because of production conditions certain colour variations are inevitable. It is therefore possible that a shown sample may show minor difference of colour to material delivered. It is important that rolls which are to be fitted together must be from the same dye batch. It is the responsibility of the carpet fitter to examine the rolls prior to installation. In certain cases there may be minor colour differences from dye batch and also roll to roll. This can be due to minor colour differences in the production, different pile direction together with local conditions on the premises.
- 9.16 Patterns Textile floorings are flexible floorings and like all production processes there are certain margins which have to be taken into consideration during installation. The following criteria describe the max. margins within which it should be possible for a professional fitter to complete a satisfactory installation (see also Installation guide).

- Pattern repeats: The given repeat sizes indicate the measures of the dominating pattern both in the length and width direction. These are used when calculating additional material in case of possible joins of two or more lengths.
- Pattern displaced: Pattern fitting over full width is not guaranteed. When joining repeats in the length direction the margin is: +/- 0.5 % (cf. fig. 1).
- Pattern curves: Pattern curves appear where the repeat is on level in both sides but where the pattern is curving across the width of the carpet. The margin is +/-1% (cf. fig. 2).

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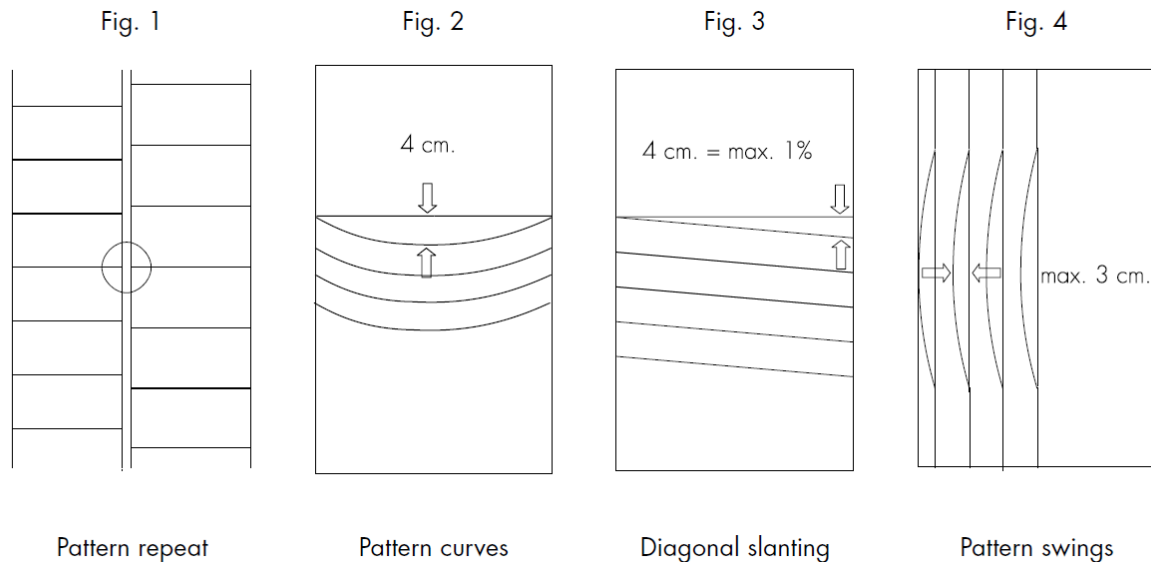
- Diagonal slanting: Diagonal slanting appears where the repeat is out of level but staggered from one side to another. The margin is +/-1% (cf. fig. 3).
- Pattern swings: Pattern swings appear if the distance from the pattern to the carpet edge swings in the length direction. The margin is +/- 1%. However, max. 3 cm for 4 and 5 m width. Applies for standard roll length (cf. fig. 4).

Fig. 1 Fig. 2 Fig. 3 Fig. 4

Pattern repeat Pattern curves Diagonal slanting Pattern swings

- 9.17 - Measures
- Length: Standard lengths are delivered with a margin of +/- 0.5%. Special lengths are delivered with a margin of +/-1-1%. In case of total orders there may in some cases occur further surplus in a few rolls (we also refer to sales conditions specials).
 - Width: Standard widths are delivered with a margin of +/- 1% roll width for Tufting carpet and +/- 1,25% for Wilton and Axminster Carpet.
 - Cuts: The margin for cuts (cut service) is +/-0%. If a whole roll length has to be divided into more pieces the tolerance for the whole roll width will be +/- 3 cm (e.g. a roll width of 397 cm (400 cm - 3 cm) divided into 4 even pieces to 4 lengths of 99 cm).
 - Rugs and Runners: The length is delivered with a margin of +/-2.0% and the width with a margin of +/-2%.
 - Tiles: Lengths and widths are delivered with a margin of +/-0.2% within the same batch and +/- 0.3% on nominal dimensions.

9.18 – Radici must be notified in case of installation or use of the material of the material under specific conditions (like inlaid rugs, products to be adapted to pre-existing situations, etc). The laying conditions and production tolerances must be shared and established.



The tolerances are valid trade standards in accordance with UNI EN 14159:2015 which is a Technical Specification Document prepared by the European Committee for Standardization and thus valid for all members of the EU.

9.19 In relation to the application tests carried out in our laboratories and accredited laboratories, RADICI PIETRO INDUSTRIES & BRANDS S.p.A. guarantees its products for two (2) years from the date of delivery of the product.

- 1) In this respect documents accompanying goods and relative invoices issued by RADICI PIETRO INDUSTRIES & BRANDS S.p.A. are required;
- 2) Warranty refers only to repair and/or partial or total replacement of parts recognised as defective due to manufacturing defects within the limits described in Article 13 hereunder;
- 3) The warranty covers 100% of the total surface supplied;

- 4) The warranty covers under penalty of forfeiture any defects reported prior to the fitting of the product and not later than fifteen (15) days from the date of delivery notified by registered letter with return receipt to RADICI PIETRO INDUSTRIES & BRANDS S.p.A.;
- 5) Such reports shall be deemed as valid if and only if coupled with the accompanying and delivery documents and the invoice for the product in question;
- 6) This warranty applies according to the Consumer Code (Italian Legislative Decree.206/05), to Articles 128-135, which regulate the legal warranty on consumer goods sold to consumers and Directive 1999 /44/CE;
- 7) The warranty provisions will be applied exclusively after an inspection by RADICI PIETRO INDUSTRIES & BRANDS S.p.A. and/or its delegate has taken place, to confirm the faults or defects of the goods sold;
- 8) Any Interventions under warranty will not give in any case rise to a new term thereof;
- 9) Warranty will be applicable if and only if all the following conditions apply:

9.1 The delivered product should be fitted in accordance with the instructions and suggestions provided by RADICI PIETRO INDUSTRIES & BRANDS S.p.A., using only top quality materials;

10) Indemnity Conditions:

Compensation conditions set by RADICI PIETRO INDUSTRIES & BRANDS S.p.A. will be applicable in relation to the products supplied and subject of the dispute in the following manner:

- 10.1 The terms of compensation are to be understood in its own right for the first two (2) years;
- 11) In case the product covered by the warranty is no longer in production, RADICI PIETRO INDUSTRIES & BRANDS S.p.A. will ensure the application of the terms of intervention using products of the same technical and commercial value.
- 12) Exclusions from the Warranty:
You should consider as specifically excluded from this warranty any damage caused by:
 - 12.1 Non-compliant fitting of the product;
 - 12.2 Misuse of the product supplied (carpet);
 - 12.3 Vandalism;
 - 12.4 Fire;
 - 12.5 Flood and any other natural disaster;
 - 12.6 Contact with chemicals and solvents of any kind;
 - 12.7 Maintenance is not performed or if so only partially;
 - 12.8 Outdoor use of the product with sun exposure or use in spaces with temperatures above 40°C.
 - 12.9 Unforeseeable circumstances or force majeure.

- 13) RADICI PIETRO INDUSTRIES & BRANDS S.p.A., is not obliged under this warranty to pay compensation costs that exceed the cost of repair and / or replacement of the defective or faulty products. Therefore compensation by RADICI PIETRO INDUSTRIES & BRANDS S.p.A. of all direct or indirect damage caused by the customer also due to costs, expenses of any kind incurred by the customer in excess of the cost of repair and/or replacement of the goods delivered is excluded from this warranty.

10. FURTHER RESPONSABILITY

10.1 Right deriving from impossibility of performing the contract from delay credit damages debts at the moment of issuing the contract or other non allowed operations are excluded, in case of fraud a reasonable and evident negligence together with the characteristics of the damage can be proved. Should this be the case, the price is reduced 1,5 the value of the goods.

11. AGENT / RAPPRESENTATIVE

Agent do not have the right to cash money or to issue different shipment or sale conditions.

12. PLACE OF PERFORMANCE, COMPETENT COURT, APPLICABLE LAW.

12.1 The place of performance of the supply is our head quarters or our place of delivery.

12.2 In case of controversy the competent court is MILANO, even in case of injunction proceeding, loans or cheques, in all the cases which allow to state the competent court.

12.3 For all the matters the only allowed right is the italian one.

13. FINAL CLAUSES

13.1 This version of GENERAL CONDITION OF SALE supersedes and replaces any other preceding version that might have taken place between the two parties on the subject

13.2 The Italian text of the present contract shall be the only authentic text.