

CAREL General Conditions of Sales

1. Definitions

CUSTOMER: the purchaser of the Product.

CAREL: the seller, CAREL INDUSTRIES S.p.A., or companies within the CAREL INDUSTRIES Group.

CONDITIONS: these general terms and conditions of sale (the Conditions), also available on www.carel.com.

ORDER CONFIRMATION: the written document serving to accept the Order sent by CAREL to CUSTOMER to perfect the Contract setting forth a description of the Products sold, the CAREL product codes (upon request by parties including CUSTOMER), quantity, unit price, transport terms, delivery terms, and payment terms.

CONTRACT: the set of provisions set forth with any Special Conditions of Supply, in the instant Conditions, , the Order Confirmation and the Order.

SPECIAL CONDITIONS OF SUPPLY: the agreements entered into between CAREL and the CLIENT for the supply of Products and/or Services and containing particular conditions of supply; the wording is conventional, Special Conditions of Supply will constitute all those special conditions convened between CAREL and CLIENT in derogation of the instant Conditions, even if otherwise named.

TECHNICAL DOCUMENTATION: the document generated by CAREL setting forth the technical data and operating instructions, as well as the assembly, installation, maintenance, etc. for the Products, available on www.carel.com. Upon express request, and at Purchaser's expense, Seller may provide such documentation in hard-copy format.

EX WORKS loaded: Product delivery terms under applicable international "Incoterms" rules, that is, at the CAREL site where the Contract was perfected unless otherwise agreed upon in writing.

GOODS: the subject of the Order Confirmation.

ORDER: the document submitted by CUSTOMER for CAREL's acceptance, setting forth the purchase proposal for the Products, identifying information, and the approximate delivery date.

PARTIES or PARTY: CAREL and Purchaser referred to individually or jointly.

PRICE(S): the price(s) set forth in the Order Confirmation. The term shall have the same meaning whether in the singular or the plural.

PRODUCT(S): the good(s) specified in the Order Confirmation.

The term shall have the same meaning whether in the singular or the plural.

SERVICE(S): the service(s) set forth in the Order Confirmation. The term shall have the same meaning whether in the singular or the plural.

2. Contract documents

2.1 The Conditions, along with the Order, the Order Confirmation and any Special Conditions of Supply, constitute an integral and substantive part of the Sales Contract for the Products. Should any conflict arise amongst the various contract documents, the provisions of the Order Confirmation and in the Special Conditions of Supply shall prevail in those set forth in the instant Conditions and the provisions of the instant Conditions shall prevail over those set forth in the Order. None of Customer's general conditions of purchase shall apply unless expressly accepted by CAREL, even if stated in the Order and/or in the overleaf to the same.

2.2 Orders, which shall be in writing, are deemed accepted by CAREL upon submission of the Order Confirmation to CUSTOMER.

2.3 The Contract shall be perfected, as between the Parties, once CAREL, after having received the Order, has notified Customer in writing of its acceptance via the Order Confirmation. As soon as Customer has received CAREL's Order Confirmation, Customer shall review all data set forth in the same; these shall be deemed accepted by CUSTOMER unless an immediate objection is raised.

Products and services not expressly described in the Order Confirmation shall be separately invoiced.

2.4 The Conditions, the most recent version of which is available on www.carel.com, shall be binding on the Parties, as CUSTOMER through the use of ordinary care would have access to the same upon Contract execution.

3. Order modifications and cancellations

No Order modification or cancellation shall be valid unless received by CAREL within five (5) days from the sending of the Order Confirmation.

4. Technical Documentation

4.1 CUSTOMER warrants the accuracy of the terms and conditions for each Order and each Order Confirmation; CUSTOMER herewith represents that CUSTOMER has carefully reviewed, prior to sending the Order, the Technical Documentation in its entirety.

4.2 CUSTOMER shall be responsible for testing and validating the Products before selling and/or using the same, vetting their technical and application compatibility in advance:

- a) using their own machinery and equipment;
- b) under the weather and operating conditions forecasted for the locations where the CUSTOMER 's final products will be used
- c) with any accessories and/or connections to other components / equipment, with which the CAREL products must interact without thereby giving rise to any cognisable objection against the Product;
- d) in terms of regulatory compliance applicable to electromagnetic compatibility and safety, irrespective of any certifications and/or declarations issued by Supplier for the Products.

CUSTOMER shall further verify the compatibility of the working conditions contemplated for the manufacturing data for the CAREL products as used; BIOS and Firmware versions (and/or any evolution to the same), as may have been installed in any CAREL products; of other software components developed by the customer with respect to any CAREL-produced Environments or Tools.

4.3 CAREL reserves the right to make changes to the Product Order as needed to comply with applicable domestic or EU law, or to avoid infringing on the quality or operation of the same, or should the Product Order have become obsolete, whereupon replacement with the new series of product (having a comparable form and/or function) becomes necessary.

4.4 All activities following the sale of the Product including but not limited to the installation, assembly and set-up of the Product, according to the CUSTOMER's demands, shall be at the exclusive cost, risk and liability of the latter. CUSTOMER must comply in full with all technical-operative instructions set out in the Technical Documentation.

5. Price

5.1 Unless otherwise agreed in writing, the Price refers to the Goods delivered Ex Works loaded to the CAREL office where the Contract was executed, and shall include the cost of packaging pursuant to CAREL standards, whereas it shall not include the sales taxes and fees, import duties, and any additional charges or VAT, if applicable. The costs of any special packaging requested by CUSTOMER and approved by CAREL shall be borne by CUSTOMER.

5.2 CAREL reserves the right, at any time before delivery and upon notice to CUSTOMER, to increase the Product price by up to 5% over the applicable price list to cover any greater expenses caused by factors outside CAREL's control including but not limited to: fluctuations in the currency market, currency regulations, customs duties variances, significant increases in the cost of labour, materials, or any other processing line item, changes to the delivery date, Product quantity, or any other delay caused by any CUSTOMER request or by any failure by the latter to provide sufficient instructions.

6. Invoicing and Payments

6.1 CAREL shall issue an invoice to CUSTOMER at the time of delivery, or after having notified CUSTOMER that the Product is available for retrieval, the terms and conditions for which shall appear in the Order Confirmation, and without prejudice to the provisions of Art. 7.3, supra.

6.2 Unless otherwise agreed upon, CUSTOMER shall pay the Product price through a wire transfer into the account identified by CAREL by the deadline set forth in the Order Confirmation or invoice.

Payment must be made even in the event that CUSTOMER fail to collect the Products under the terms and conditions specified on the Confirmation of Order.

6.3 Should CUSTOMER make a payment after the deadline stated in the Order Confirmation or invoice, CAREL shall have the right to late-payment interests under Legislative Decree no. 231/02, without prejudice to any greater damages available at law.

6.4 CAREL shall, in any case, have the right to suspend delivery of Products in the event of default by CUSTOMER.

6.5 For payments received from abroad, fund-transfer costs from the foreign bank to the Italian bank will be paid for in full by CUSTOMER.

7. Product delivery and retrieval; transfer of risk

7.1 Unless otherwise agreed, merchandise delivery, and the transfer of the risk of Product loss and/or destruction to CUSTOMER, shall be understood as Ex Works loaded to the CAREL location where the Contract was perfected, pursuant to applicable "Incoterms" rules.

7.2 Delivery terms are set by CAREL in the Order Confirmation.

7.3 Should CUSTOMER fail to retrieve the Product by the delivery deadline set in the Order Confirmation, or fail to provide adequate instructions to CAREL for Product delivery, CAREL shall have the right to demand CUSTOMER to reimburse CAREL for any expenses incurred to stow or store the product. Warehousing shall be at CUSTOMER's expense.

7.4 CUSTOMER shall be required to inspect the Products and/or Systems, and to report any shortages prior to accepting delivery from the carrier, and thus prior to signing the transport document in receipt thereof.

7.5 Should the packaging be visibly damaged after transportation, CUSTOMER shall immediately file a claim with the courier – that is, upon delivery of the same – or accept the merchandise under a reservation of rights. CAREL shall only be liable for restoring the damaged material to its original conditions where the damage occurred during transport provided by the courier engaged by CAREL.

7.6 Should CUSTOMER, after receiving the merchandise, discover that the Product fails to conform to order specifications, either with respect to the code or quantity, size and/or aesthetic characteristics, CUSTOMER shall duly send CAREL notice of intent to make a return, setting forth all necessary references (order and/or transportation document references) and the description of the non-conformity, no later than five (5) days from the date of material receipt. Any complaints received after the aforementioned deadline may, at CAREL's discretion, be rejected.

8. CUSTOMER Duties

8.1 CUSTOMER shall be the sole party responsible for the choice of Products purchased and for all activities subsequent to sale, namely the installation, handling, assembly, set-up and maintenance of the Product at CUSTOMER's premises. These activities must be carried out in full compliance with the instructions supplied in the Technical Documentation.

8.2 CUSTOMER shall also be in possession of those facilities, departments, and skills (including technological skills) necessary for the correct use of the Product.

8.3 In order to ensure correct installation and subsequent proper function of the Product, CUSTOMER must comply in full and diligently with all obligations listed in the Technical Documentation.

8.4 CUSTOMER shall abide by regulations and local rules applicable in the country in which the Product is to be used. These include all those concerning the protection of public health and safety and good commercial practise. Any costs relating to the compliance of the Product with that set out by the legislation of the country in which it is to be used, will be paid for exclusively by CUSTOMER.

9. Warranties and liability

9.1 Without prejudice to any other provision hereunder, and to the extent permitted by applicable law, CAREL's liability for any demands predicated on defects or non-conformities in the goods or services ("Products") supplied pursuant to the instant General Terms and Conditions shall be limited as follows:

- a) CAREL guarantees the Products to be free of manufacturing defects for twenty-four (24) months from their production. During the warranty period, CAREL agrees to repair or, at its discretion, replace, at its own expense, any returned Products determined to be non-conforming;
- b) CAREL shall not be liable for any costs to locate the defects or to remove the same, nor for transporting or repositioning the Products deemed to be defective;
- c) CAREL shall not be liable for any Product defects unless timely reported, no later than the end of the warranty period (24 - twenty-four months - from manufacture) and for which CAREL has not been able to view the disputed components - ex works.

9.2 CUSTOMER shall, regardless, bear the liability for verifying and certifying that the units incorporating CAREL programmable controllers and hardware subsystems conform to the rules applicable in the country of installation. CUSTOMER shall be responsible for verifying and properly certifying that the software and firmware subsystems provided and/or developed by CAREL, and installed in its own units and/or applications fully satisfy the conditions for the performance required thereof.

9.3 CAREL shall not be liable for any malfunction due to any hardware or software/firmware non-conformity, supplied and/or developed by the same, as arising from Customer's specific application thereof.

9.4 CAREL shall not assume any liability for Product defects arising from: failure to comply with the instructions given in the Technical Documentation, tampering, improper use, incorrect installation, incorrect use, negligent maintenance, repairs, changes or alterations made or caused by CUSTOMER or by unauthorised third parties, extraordinary events such as accidents, abnormal wear of the Product or its components caused, by way of example, by the physical, electrical or electromagnetic environment. More specifically, it is specified that CUSTOMER shall be the sole party liable for the use

of the Products in machines and for activities and applications that differ from those specified in CAREL's Technical Documentation and for any related consequences thereto.

9.5 Except in instances of fraud and serious misconduct, CAREL shall not be held liable for any further direct or indirect contractual or non-contractual damages arising from the Product. This would include but not be limited to compensation, allowances, reimbursements, and any other damages, including losses (including lost profits), costs, expenses, including those for recalling the Product, lost earnings, or interruption in Product function. CAREL's liability shall be limited to the compensation of the Product price.

9.6 Should CUSTOMER find, within any package, missing or incorrect components compared to those contemplated in the product specifications, CUSTOMER shall send CAREL sufficient documentation, with a notation of all proper references (order and/or transport document references) within thirty (30) days. Any complaints received after the aforementioned deadline may, at CAREL's discretion, be rejected.

10. Returns for repairs

10.1 CAREL agrees, at its sole discretion, to repair and/or replace the Product found to be defective during the warranty period, pursuant to the rules appearing infra.

10.2 Should the Product under warranty appear to be repairable based on CAREL's initial testing, the Product shall be regenerated at CAREL's plant, and will be repackaged. Should the repair not be economically feasible, or should CAREL not be able to guarantee the reliability of the Product thereafter, CAREL shall have the option to replace the Product free of charge, with a new or equivalent Product.

10.3 Should CUSTOMER request a Product repair outside the warranty period, the charge will be inclusive of labour and parts replaced, up to a maximum established as 40% of their current list price, and borne by CUSTOMER. The repair shall consist in the refurbishment of the Product to the extent possible or convenient. Otherwise, following a reasonable analysis, CAREL may return CUSTOMER the Product or junk it, as agreed upon inter partes. In either case, the costs shall be charged to CUSTOMER. In addition to the labour costs, parts, and an analysis of the defects, CAREL may, at its discretion, charge CUSTOMER costs relating to the logistical and administrative management of each RMA.

10.4 CAREL shall ship or deliver the repaired Product as soon as possible, and no later than two (2) months from receipt of the return, unless specific, additional inspections are required, which CAREL must report to CUSTOMER.

10.5 For any Products subject to repair and/or replacement, the original warranty period offered by CAREL on any products/systems shall not be tolled, or under any circumstances exceed twenty-four (24) months from the date the repaired product/system is returned.

10.6 CAREL shall not be held liable for any damaged file/programme/configuration/data contained in the Products sent in for repairs by Customers.

10.7 To request a Product repair, CUSTOMER shall request the return through a 'Return Material Authorization' (RMA), which must be duly filled out using the designated form available on CAREL's website (<https://rma.carel.com/CarelRma/faces/pages/user/index.jspx>). CUSTOMER shall receive a response within two (2) business days, bearing the RMA number for every accepted return, the shipment method, and justification for any rejection of the same.

10.8 CUSTOMER must send the faulty Product to CAREL's office at his own expense, in its original packaging and/or other reasonable packaging. The item must be sent complete with its original label bearing the relevant identification code, serial number, date of manufacture, with the provided RMA number printed on the delivery documents, making sure the number is clearly visible on the outside of the packaging. Returns failing to meet this criteria will not be accepted at the CAREL warehouse.

11. Returns for customer credit

11.1 Material returns for customer credit are only permitted for new, never-used material in its original packaging.

11.2 All new material returned for customer credit, except under warranty, must be authorised by CAREL in advanced.

To wit, CUSTOMER shall request authorisation from CAREL to return the material using the RMA procedure (Return Material Authorization), duly completing the designated form available on CAREL's website, as described in the General Conditions of Return, available on the website.

11.3 The document accompanying returned goods must mention, along with the RMA number sent by the Seller, the exact details of the sales invoice, which must also be dated no more than 12 (twelve) months earlier.

11.4 Products returned within 20 days of delivery will be discounted by 20% as compared with purchase price, for administrative, handling and inspection fees. For any products returned more than twenty (20) days after delivery, CAREL may accept or discount the item at its discretion, in light of the manufacture date and any intervening product updates. Transport costs will be paid for by the Buyer. The returned Product must not show signs of tampering. If not, in addition to the above-stated write-down, the cost for restoration to new conditions will also be charged.

11.5 Any failure to abide by the aforementioned conditions shall lead to the returned Product being rejected.

12. Software

Should the Product include a software to use the same, the use of this software may, as applicable, be governed by specific, separate terms and conditions of a license for use.

13. Product intellectual property and the related technical documentation

13.1 The Technical Documentation, all drawings, documents and technical specifications, illustrations and information concerning the Product/s delivered and made available by CUSTOMER to CAREL, may not be used for any purpose other than that for which they have been sent, unless specifically authorised by CAREL. Intended purposes include, for example, installation, use, maintenance and sale.

13.2 All information (supplied in any form and format), technical standards, specifications supplied by CAREL described by art. 13.1, are the exclusive property of the same.

13.3 No trademark license or license to use patents or other industrial or intellectual property rights relating to the above-stated technical information, know-how, etc., shall be construed as conveyed or granted to CUSTOMER under this Contract.

14. Conditions for export

14.1 The sale of the Products and basic technology may be subject to export controls, according to various local regulations and laws. Such controls may be performed by the various authorities of each country in which the Products are to be sold. CUSTOMER is responsible for complying with the laws, regulations and/or directives governing the import of goods; CUSTOMER is also responsible for paying duties in the country of destination through to the end customer.

14.2 CAREL is committed to supplying CUSTOMER with all information and assistance that can reasonably be requested by the other Party in obtaining authorisations and licenses required by local laws for the products to be exported. CUSTOMER must also take all measures necessary to obtaining the required supporting documents, in a timely manner.

15. Force majeure

CAREL shall not be liable for any delays or breaches of contractual obligations where such delay or breach is due to causes outside CAREL's control. These include, as examples and not intended as an exhaustive list, natural disasters, wars, embargoes, requisitions, intervening legislation, strikes, production blocks, difficulties in sourcing raw materials and other essential parts to the production equipment, machinery failures or interruptions to energy supplies.

16. Product Quality; Quality Processes/Certifications

CAREL's quality-management system is ISO 9001, ISO 14001 and ISO 45001 certified pursuant to the certificate for the same (see "Design, manufacture, and sale of electronic monitoring and measuring tools, inverters, humidifiers, electronic-expansion valves, electrical control panels, local monitoring systems, edges, and clouds, digital IOT services, and remote customer support. Assembly, manufacturing, and testing of circuit boards and products with third-party components". CAREL's Products are designed and built in accordance with current European standards.

Every Product is designed and tested to fall within the limits established by the international and European standards of reference as concerns electromagnetic compatibility and safety.

Furthermore, many of CAREL's Products are tested and certified by international certification bodies (applicable certification trademarks appear on the product identification label).

17. Language

These Conditions have been generated in Italian and translated into English. Should there be any

disagreement or differences between the Italian text and the English translation, the Italian text shall prevail.

18. Privacy e GDPR

With regard to the processing of the Personal Data of CAREL, the CUSTOMER will act as Data Controller for the purpose of carrying out the services agreed in these CONDITIONS and will be entirely responsible with reference to the processing of Personal Data subject of the same.

The terms "processing", "controller" and "Personal Data" shall have the meaning given in the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (the "Regulation").

The CUSTOMER guarantees that it will treat the CAREL Data in compliance with the obligations deriving from the applicable data protection legislation, including the Regulations and that it will implement appropriate technical and organizational measures to protect CAREL Data from any processing unlawful or unauthorized as well as accidental loss, destruction, damage, alteration or disclosure.

With regard to the processing of Personal Data of CUSTOMER, the same undertakes to read the Supplier/Customer Privacy Information, available online on the Company's website at www.carel.com.

19. Code of Ethics and Organizational Model pursuant to Legislative Decree 231/01

CUSTOMER undertakes to examine CAREL's Code of Ethics, Organizational Model pursuant to Legislative Decree 231/01 and the Anti-corruption Procedure, all available online on CAREL's website at www.carel.com

Pursuant to and for the purposes of art. 1381 of the Italian Civil Code, CUSTOMER undertakes to ensure that its top management and its subordinate employees respect the principles and values contained in CAREL's Code of Ethics and to act in line with CAREL's Organizational Model pursuant to Legislative Decree 231/01 and its Anti-corruption Procedure. CUSTOMER undertakes to ensure that any other behavior will be in any case such as not to expose CAREL to the risk of the application of sanctions provided for by the Legislative Decree n. 231/2001.

Any violation of the rules provided by the aforementioned rules and procedures will represent a serious breach of these conditions and CAREL will have the right to be indemnified from CUSTOMER for any sanctions or damages that may derive from the latter as a consequence of the violation thereof by CUSTOMER, its top management or subordinate employees.

20. Applicable Law

For any sales in Italy, the instant General Conditions shall be subject to Italian law.

Where the sale of the Product is made in countries other than Italy, provisions of international private commercial law shall apply; the parties herewith expressly exclude the application to this Contract of the United Nations Convention on international goods sales agreements adopted in Vienna on 11th April 1980 .

GENERAL CONDITIONS OF THE PLANTVISORPRO AGREEMENT

1. Definitions

In accordance with these conditions, the following definitions shall have the meanings given, regardless of whether they are used in a singular or plural form:

BUYER:the buyer of the *PlantVisorPro local*.

CONDITIONS: these general conditions of the agreement, which form an integral and substantial part of said Agreement and are also available from the website www.carel.com.

CONFIRMATION OF ORDER: the written document of Order acceptance, sent by the Seller to the Buyer, containing: the description of the Product/s sold, the Seller's product code (and on request, also that of the Buyer), the quantity, unit price, transport terms, delivery terms and payment terms.

AGREEMENT: the agreement drawn up between the Buyer and Seller for the sale of the *PlantVisorPro Local*.

TECHNICAL DOCUMENTATION:: (i) paper manual containing the technical data and operative instructions for the assembly, installation, maintenance and set-up of the *PlantVisorPro local*, prepared and drawn up by CAREL INDUSTRIES S.p.A., enclosed within the *PlantVisorPro local* package, (ii) On-

line help; (iii) document: '*Correct installation of the PlantVisorPro local*'; (iv) document: '*Specifications for the supply to the PlantVisorPro local*', available from the website www.carel.com.

EX WORKS OR EXW: delivery conditions of the *PlantVisorPro local* in accordance with international '*Incoterms 2000*' rules, namely at the Seller's premises. As from the time of consignment, the Buyer shall pay for all loading, transport, delivery and insurance costs.

ORDER: the document sent by the Buyer to the Seller, setting out the proposed purchase of the *PlantVisorPro local* and relevant identification code.

PARTIES: The Buyer and Seller referred to jointly.

'*PlantVisorPro local*': electronic standardised monitoring and detection system to be used in HVAC/R systems marked by a given identification code assigned by the Seller and consisting of the following items: an electronic processor equipped with software and firmware, a PC-Gate with relative power supply, all branded with the Carel trademark.

SELLER: CAREL INDUSTRIES S.p.A. (Italy).

2. Application and efficiency of the Conditions

2.1 The Conditions are an integral and substantial part of each *PlantVisorPro Local Sales Agreement*. In the event of any discrepancy, they shall prevail over any purchase conditions that may be stated by the Buyer on the Order, unless otherwise agreed in writing by the Parties.

2.2 The Conditions are always available from the website www.carel.com. They are efficient between the Parties as the Buyer can become aware of such using ordinary diligence upon drawing up the Agreement.

3. Orders, Confirmations of Order and Technical Documentation

3.1 Orders must be in writing. They are considered as accepted by the Seller by transmission of the Confirmation of Order to the Buyer.

3.2 The Buyer guarantees that the terms and conditions in relation to each Purchase Order and each Confirmation of Order are correct. The Buyer declares that he has carefully examined all the Technical Documentation prior to having sent the Order, and has verified the technical and applicative compliance of his machinery and tools with the Products.

3.3 The Seller reserves the right to make any changes to the Purchase Order for the *PlantVisorPro local*, where it requires adaptation to meet internal or Community standards, or is altered in such a way that does not prejudice its quality or function, or is replaced with a more recent series with comparable form and/or functions to that replaced.

3.4 All activities following the sale of the *PlantVisorPro local*, for example, but not intended as an exhaustive list, the installation, assistance with assembly and set-up of the *PlantVisorPro local*, according to the Buyer's demands, is at the exclusive cost, risk and liability of the Buyer. The Buyer must comply in full with all operative instructions set out in the Technical Documentation.

4. Price

4.1 The price of the *PlantVisorPro Local* is as established in the price list current as of the date of Order. The price includes packaging costs according to the Seller's standards. Any special packaging required by the Buyer will be paid for by the Buyer himself. The price does not include taxes and duties on the sale, customs duties, any other charges and VAT, if due.

4.2 Without prejudice to alternative written agreements, all prices established by the Seller are Ex Works.

5. Invoicing and method of payment

5.1 The Seller shall invoice the Buyer for the price of the *PlantVisorPro local* at the same time as consignment. Should the Buyer fail to collect the *PlantVisorPro local* from the Seller's premises within the terms established by the Agreement, without prejudice to the rights set out by art. 6.3 herein, the Seller shall have the right to issue invoice for the price of the *PlantVisorPro local* at any stage. The Seller may do so following verbal or written notice provided to the Buyer that the *PlantVisorPro local* is available for collection.

5.2 The Buyer must pay the *PlantVisorPro Local* price within the terms specified on the Confirmation of Order or invoice. Payment must be made directly to the Seller's domicile. The Seller shall have the right to receive payment even in the event that the Buyer should fail to collect the *PlantVisorPro Local* under the terms and conditions specified on the Confirmation of Order.

5.3 Should the Buyer fail to make payment within the terms established by the Agreement, the Seller shall have the right to the maturity and payment of late payment interest in accordance with Italian

Legislative Decree no. 231/02. This is without prejudice to compensation for greater damages.

5.4 For payments from abroad, fund transfer costs from the foreign bank to the Italian bank will be paid for in full by the Buyer.

6. Delivery, *PlantVisorPro Local* collection, handover of risks

6.1 Unless otherwise agreed, the consignment of the goods, with relative transfer of the risk of damages and/or depreciation of the *PlantVisorPro Local* to the Buyer, is intended as EXW – Ex Works. This applies even where full or partial delivery by the Seller has been agreed to another destination. In this case, the Buyer shall pay for all costs borne by the Seller for the transport, delivery, packaging and insurance.

6.2 Delivery terms are fixed by the Seller on the Confirmation of Order.

6.3 Should the Buyer fail to collect the *PlantVisorPro Local* within the delivery terms set forth in the Agreement, or should he fail to provide the Seller with adequate instructions for delivery, without prejudice to the rights described by art. 5.1 above, the Seller shall have the right to request reimbursement by the Buyer of all costs sustained for storage of the *PlantVisorPro Local*.

7. Buyer commitments

7.1 The Buyer is the sole party responsible for choosing the *PlantVisorPro Local* purchased. The Buyer has therefore decided that it is suitable to meeting his demands and for all activities subsequent to sale, namely the installation, maintenance, assembly and set-up of the *PlantVisorPro Local* at the Buyer's premises. These activities must be carried out in full compliance with the instructions given in the Technical Documentation. The Buyer must also be in possession of structures and skills (including technological skills) necessary for the correct use of the *PlantVisorPro Local*.

7.2 Specifically, for the purposes of carrying out correct installation and subsequent correct function of the *PlantVisorPro Local*, the Buyer must comply with all obligations listed in the on-line documentation, with utmost diligence. This documentation consists of the '*Correct installation of the PlantVisorPro Local*' and the '*Specifications for the supply of the PlantVisorPro Local*'.

7.3 In implementing the Agreement, the Buyer must also comply with and apply all local regulations and rules applicable in the country in which the *PlantVisorPro Local* is to be used. These include all those concerning the protection of public health and safety and good commercial practise. Any costs relating to the compliance of the *PlantVisorPro Local* with that set out by the legislation of the country in which it is to be used, will be paid for exclusively by the Buyer.

8. Warranties, responsibilities and return of materials

8.1 The Seller guarantees that the *PlantVisorPro Local* is free from material faults and flaws of manufacture and complies with the standard technical specifications contained in the Technical Documentation. The Seller provides no warranty on materials and/or parts of the *PlantVisorPro Local* not produced by themselves, nor for any damages caused by uses not known at the time of Order and Confirmation of Order. The Seller also refuses to provide any guarantee of compatibility of the *PlantVisorPro Local* with other electronic equipment or other specific processing programmes.

8.2 The Seller undertakes to guarantee the *PlantVisorPro Local* for 2 (two) years as from the date of its manufacture. This shall apply as long as the full price has been paid by the date stated on the invoice or in any case set out by the Agreement, and as long as any flaws are notified within 8 (eight) days of the date on which they are discovered.

8.3 The *PlantVisorPro Local* under warranty, where an initial verification by the Seller takes it to be repairable, may only be repaired at the Seller's establishment. The Seller will also re-complete packaging, regenerating it as new. Where repair is not possible or not economically worthwhile, the Seller reserves the right to replace the *PlantVisorPro Local* with a new one free of charge. This is without prejudice to the Buyer's right to seek alternative legal remedies.

8.4 In compliance with the terms and conditions set out by the previous art. 8.2, the Buyer must send the faulty *PlantVisorPro Local*, in its original packaging and/or in suitable packing, at his own expense, to the Seller's premises. The item must be sent complete with its identification code, serial number, date of manufacture and a detailed written description of the flaw reported. The Buyer shall invalidate the warranty if the identification label has been removed or damaged. The Seller will only accept the material if coming from the Buyer. As such, distributors or retailers must collect the *PlantVisorPro Local* for repair or replacement from their clients, and deliver it to the Seller. The Seller shall carry out all appropriate checks and/or works and return the material within the terms necessary for repair. The Seller will return the Product as quickly as possible and, in any case, in no more than 2 months as from receipt of the return. This is without prejudice to where additional specific checks are required, and in

which case, the Buyer will be duly informed of such. The Seller will bear the costs, DDU (*Incoterms* 2000) for returning the *PlantVisorPro Local* to the Buyer.

8.5 This is without prejudice to the fact that the Seller shall provide no warranty to cover flaws in the *PlantVisorPro Local* deriving from: failure to comply with the instructions given in the Technical Documentation, tampering, improper use, incorrect installation, incorrect use, negligent maintenance, repairs, changes or alterations made or caused by the Buyer or by unauthorised third parties, extraordinary events such as accidents, abnormal wear of the *PlantVisorPro Local* or its components caused, by way of example, by the physical, electrical or electromagnetic environment. More specifically, it is specified that the Buyer shall be the sole party liable for the use of the Products in machines and for activities and applications that differ from those specified in the Seller's Technical Documentation. The Buyer shall also therefore be liable for all and any relevant consequences.

8.6 With the exception of cases of fraud and serious misconduct, the Seller therefore excludes any further contractual or non-contractual liability for such, in any case originating from the *PlantVisorPro Local*. This includes, as mere examples and not intended as an exhaustive list, compensation for direct and indirect damages, losses including loss of profits, costs, fees also in relation to the withdrawal of the *PlantVisorPro Local* from the market, lack of earnings, and interruption of the operations of the *PlantVisorPro Local*. The Seller's contractual liability is limited to the compensation of an amount not in excess of the price of the *PlantVisorPro Local*.

8.7 Any return of new materials for credit, for reasons not due to the Seller, must be agreed with the Seller in advance. The document accompanying returned goods must mention the exact details of the sales invoice, which must also be dated no more than 12 months earlier. The *PlantVisorPro Local* returned within the first 20 days of consignment will be devalued by 20% as compared with the original purchase price, for administrative, movement and control fees. Transport costs will be paid for by the Buyer. The returned *PlantVisorPro Local* must not show any signs of tampering and must be supplied in its original packaging. Failure to do so will entail the charge of cost for restoration to new condition, in addition to the above-stated impairment. Failure to comply with this art. 8.7 will result in failure to accept the returned *PlantVisorPro Local*.

9. Licensed software

The right to use the standardised application software included in the *PlantVisorPro Local* is subject to the Buyer's acceptance, or acceptance by the effective user where this is not the Buyer, of further terms and conditions. These further terms and conditions are stated in a separate license agreement for the use of the software, which can be viewed on the screen immediately after turning the *PlantVisorPro Local* on.

10. Drawings, technical documents and intellectual property

10.1 All Technical Documentation, drawings, documents and technical specifications, illustrations and information concerning the *PlantVisorPro Local* delivered and made available to the Buyer by the Seller, may not be used for any purpose other than that for which they have been sent, unless specifically authorised by the Seller. Intended purposes include, by way of example, the installation, use, maintenance and marketing of the Product.

10.2 All information (supplied in any form and format), technical standards and specifications supplied by the Seller, as per art. 10.1 above, are the exclusive property of the Seller. No trademark license or license to use patents or other industrial or intellectual property rights relating to the above-stated technical information, know-how, etc., are considered as granted to the Buyer under this Agreement.

11. Export conditions

11.1 The sale of the *PlantVisorPro Locals* and their basic technology may be subject to export controls, according to various local regulations and laws. Such controls may be performed by the various authorities of each country in which the *PlantVisorPro Local* is to be marketed. The Buyer is responsible for complying with the laws, regulations and/or directives governing the import of goods. The Buyer is also responsible for paying duties in the country of destination through to the end customer.

11.2 The Seller is committed to supplying the Buyer with all information and assistance that can reasonably be requested by the other Party in obtaining authorisations and licenses required by local laws for the products to be exported. The Seller must also take all measures necessary to obtaining the required supporting documents, in a timely manner.

12. Force majeure

The Seller is not responsible for any delays or breach of contractual obligations where such delay or

breach is due to causes independent of his will. These include, as examples and not intended as an exhaustive list, natural disasters, wars, embargo, requisitions, new legislations, strikes, production blocks, difficulties in finding raw materials and other essential parts to the production equipment, machinery failures or interruptions to energy supplies.

13. PlantVisorPro Local quality

13.1 The Seller's quality management system is certified ISO 9001 in accordance with the purpose specified on the certificate (ref. "*Design, manufacture and sale of electronic control instruments, connections systems, remote management and monitoring and humidification systems*").

13.2 The Seller's Products are designed and built in accordance with current European standards.

13.3 Every Product is further designed and tested to fall within the limits established by the European standards of reference as concerns electromagnetic compatibility and safety.

13.4 Furthermore, many of the Seller's Products are tested and certified by international certification bodies (applicable certification trademarks can be seen on the product identification label).

14. Language

These Conditions have been drawn up in Italian and translated into English.

Should there be any disagreement or differences between the Italian text and the English translation, the Italian text shall prevail.

15. Applicable law

This Agreement is subject to Italian law. Where the sale of the *PlantVisorPro Local* is made in countries other than Italy, it is specifically agreed that the parties exclude application of the United Nations Convention on international goods sales agreements adopted in Vienna on 11th April 1980 to this Agreement.

GENERAL CONDITIONS OF THE PLANTWATCHPRO AGREEMENT

1. Definitions

In accordance with these conditions, the following definitions shall have the meanings given, regardless of whether they are used in a singular or plural form:

'Buyer': the buyer of the *PlantWatchPro*.

'Conditions': these general conditions of the agreement, which form an integral and substantial part of said Agreement and are also available from the website 'www.carel.com'.

'Confirmation of Order': the written document of Order acceptance, sent by the Seller to the Buyer, valid as Order acceptance.

'Agreement': the agreement drawn up between the Buyer and Seller for the sale of the *PlantWatchPro*.

'Technical documentation': (i) paper manual containing the technical data and operative instructions for the assembly, installation, maintenance and set-up of the *PlantWatchPro*, prepared and drawn up by CAREL INDUSTRIES S.p.A., enclosed within the *PlantWatchPro* package, (ii) *On-line help*.

'Ex-works' or **'EXW'**: delivery conditions of the *PlantWatchPro* in accordance with international '*Incoterms 2000*' rules, namely at the Seller's premises. As from the time of consignment, the Buyer shall pay for all loading, transport, delivery and insurance costs.

'Order': the document sent by the Buyer to the Seller, setting out the proposed purchase of the *PlantWatchPro* and relevant identification code.

'Parties': The Buyer and Seller referred to jointly.

'PlantWatchPro': electronic standardised monitoring and detection system to be used in HVAC/R systems marked by a given identification code assigned by the Seller and consisting of the following items: an electronic processor equipped with software and firmware, branded with the Carel trademark.

'Seller': CAREL INDUSTRIES S.p.A. (Italy).

2. Application and efficiency of the Conditions

2.1 The Conditions are an integral and substantial part of each *PlantWatchPro* Sales Agreement. In the event of any discrepancy, they shall prevail over any purchase conditions that may be stated by the Buyer on the Order, unless otherwise agreed in writing by the Parties.

2.2 The Conditions are always available from the website www.carel.com. They are efficient between the Parties as the Buyer can become aware of such using ordinary diligence upon drawing up the Agreement.

3. Orders, Confirmations of Order and Technical Documentation

3.1 Orders must be in writing. They are considered as accepted by the Seller by transmission of the Confirmation of Order to the Buyer.

3.2 The Buyer guarantees that the terms and conditions in relation to each Purchase Order and each Confirmation of Order are correct. The Buyer declares that he has carefully examined all the Technical Documentation prior to having sent the Order, and has verified the technical and applicative compliance of his machinery and tools with the Products.

3.3 The Seller reserves the right to make any changes to the Purchase Order for the *PlantWatchPro*, where it requires adaptation to meet internal or Community standards, or is altered in such a way that does not prejudice its quality or function, or is replaced with a more recent series with comparable form and/or functions to that replaced.

3.4 All activities following the sale of the *PlantWatchPro*, for example, but not intended as an exhaustive list, the installation, assistance with assembly and set-up of the *PlantWatchPro*, according to the Buyer's demands, is at the exclusive cost, risk and liability of the Buyer. The Buyer must comply in full with all operative instructions set out in the Technical Documentation.

4. Price

4.1 The price of the *PlantWatchPro* is as established in the price list current as of the date of Order. The price includes packaging costs according to the Seller's standards. Any special packaging required by the Buyer will be paid for by the Buyer himself. The price does not include taxes and duties on the sale, customs duties, any other charges and VAT, if due.

4.2 Without prejudice to alternative written agreements, all prices established by the Seller are Ex Works.

5. Invoicing and method of payment

5.1 The Seller shall invoice the Buyer for the price of the *PlantWatchPro* at the same time as consignment. Should the Buyer fail to collect the *PlantWatchPro* from the Seller's premises within the terms established by the Agreement, without prejudice to the rights set out by art. 6.3 herein, the Seller shall have the right to issue invoice for the price of the *PlantWatchPro* at any stage. The Seller may do so following verbal or written notice provided to the Buyer that the *PlantWatchPro* is available for collection.

5.2 The Buyer must pay the *PlantWatchPro* price within the terms specified on the Confirmation of Order or invoice. Payment must be made directly to the Seller's domicile. The Seller shall have the right to receive payment even in the event that the Buyer should fail to collect the *PlantWatchPro* under the terms and conditions specified on the Confirmation of Order.

5.3 Should the Buyer fail to make payment within the terms established by the Agreement, the Seller shall have the right to the maturity and payment of late payment interest in accordance with Italian Legislative Decree no. 231/02. This is without prejudice to compensation for greater damages.

5.4 For payments from abroad, fund transfer costs from the foreign bank to the Italian bank will be paid for in full by the Buyer.

6. Delivery, *PlantWatchPro* collection, handover of risks

6.1 Unless otherwise agreed, the consignment of the goods, with relative transfer of the risk of damages and/or depreciation of the *PlantWatchPro* to the Buyer, is intended as EXW – Ex Works. This applies even where full or partial delivery by the Seller has been agreed to another destination. In this case, the Buyer shall pay for all costs borne by the Seller for the transport, delivery, packaging and insurance.

6.2 Delivery terms are fixed by the Seller on the Confirmation of Order.

6.3 Should the Buyer fail to collect the *PlantWatchPro* within the delivery terms set forth in the Agreement, or should he fail to provide the Seller with adequate instructions for delivery, without prejudice to the rights described by art. 5.1 above, the Seller shall have the right to request reimbursement by the Buyer of all costs sustained for storage of the *PlantWatchPro*.

7. Buyer commitments

7.1 The Buyer is the sole party responsible for choosing the *PlantWatchPro* purchased. The Buyer has therefore decided that it is suitable to meeting his demands and for all activities subsequent to sale, namely the installation, maintenance, assembly and set-up of the *PlantWatchPro* at the Buyer's premises. These activities must be carried out in full compliance with the instructions given in the Technical Documentation. The Buyer must also be in possession of structures and skls (including technological skls) necessary for the correct use of the *PlantWatchPro*.

7.2 Specifically, for the purposes of carrying out correct installation and subsequent correct function of the *PlantWatchPro*, the Buyer must comply with all obligations listed in the on-line documentation, with utmost digence. This documentation consists of the '*Correct installation of the PlantWatchPro*'.

7.3 In implementing the Agreement, the Buyer must also comply with and apply all local regulations and rules applicable in the country in which the *PlantWatchPro* is to be used. These include all those concerning the protection of public health and safety and good commercial practise. Any costs relating to the compliance of the *PlantWatchPro* with that set out by the legislation of the country in which it is to be used, wl be paid for exclusively by the Buyer.

8. Warranties, responsibilities and return of materials

8.1 The Seller guarantees that the *PlantWatchPro* is free from material faults and flaws of manufacture and complies with the standard technical specifications contained in the Technical Documentation. The Seller provides no warranty on materials and/or parts of the *PlantWatchPro* not produced by themselves, nor for any damages caused by uses not known at the time of Order and Confirmation of Order. The Seller also refuses to provide any guarantee of compatibility of the *PlantWatchPro* with other electronic equipment.

8.2 The Seller undertakes to guarantee the *PlantWatchPro* for 2 (two) years as from the date of its manufacture. This shall apply as long as the full price has been paid by the date stated on the invoice or in any case set out by the Agreement, and as long as any flaws are notified within 8 (eight) days of the date on which they are discovered.

8.3 The *PlantWatchPro* under warranty, where an initial verification by the Seller takes it to be repairable, may only be repaired at the Seller's charge. The Seller wl also re-complete packaging, regenerating it as new. Where repair is not possible or not economically worthwhe, the Seller reserves the right to replace the *PlantWatchPro* with a new one free of charge. This is without prejudice to the Buyer's right to seek alternative legal remedies.

8.4 In compliance with the terms and conditions set out by the previous art. 8.2, the Buyer must send the faulty *PlantWatchPro*, in its original packaging and/or in suitable packing, at his own expense, to the Seller's premises. The item must be sent complete with its identification code, serial number, date of manufacture and a detaed written description of the flaw reported. The Buyer shall invalidate the warranty if the identification label has been removed or damaged. The Seller wl only accept the material if coming from the Buyer. As such, distributors or retaers must collect the *PlantWatchPro* for repair or replacement from their clients, and deliver it to the Seller. The Seller shall carry out all appropriate checks and/or works and return the material within the terms necessary for repair. The Seller wl return the Product as quickly as possible and, in any case, in no more than 2 months as from receipt of the return. This is without prejudice to where additional specific checks are required, and in which case, the Buyer wl be duly informed of such. The Seller wl bear the costs, DDU (*Incoterms* 2000) for returning the *PlantWatchPro* to the Buyer.

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8.6 With the exception of cases of fraud and serious misconduct, the Seller therefore excludes any further contractual or non-contractual liability for such, in any case originating from the *PlantWatchPro*. This includes, as mere examples and not intended as an exhaustive list, compensation for direct and indirect damages, losses including loss of profits, costs, fees also in relation to the withdrawal of the *PlantWatchPro* from the market, lack of earnings, and interruption of the operations of the *PlantWatchPro*. The Seller's contractual liability is limited to the compensation of an amount not in excess of the price of the *PlantWatchPro*.

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The right to use the standardised application software included in the *PlantWatchPro* is subject to the Buyer's acceptance, or acceptance by the effective user where this is not the Buyer, of further terms and conditions. These further terms and conditions are stated in a separate license agreement for the use of the software, which is available inside the Technical Documentation included in the packaging.

10. Drawings, technical documents and intellectual property

10.1 All Technical Documentation, drawings, documents and technical specifications, illustrations and information concerning the *PlantWatchPro* delivered and made available to the Buyer by the Seller, may not be used for any purpose other than that for which they have been sent, unless specifically authorised by the Seller. Intended purposes include, by way of example, the installation, use, maintenance and marketing of the Product.

10.2 All information (supplied in any form and format), technical standards and specifications supplied by the Seller, as per art. 10.1 above, are the exclusive property of the Seller. No trademark license or license to use patents or other industrial or intellectual property rights relating to the above-stated technical information, know-how, etc., are considered as granted to the Buyer under this Agreement.

11. Export conditions

11.1 The sale of the *PlantWatchPro* and their basic technology may be subject to export controls, according to various local regulations and laws. Such controls may be performed by the various authorities of each country in which the *PlantWatchPro* is to be marketed. The Buyer is responsible for complying with the laws, regulations and/or directives governing the import of goods. The Buyer is also responsible for paying duties in the country of destination through to the end customer.

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June 2020, Rel. 2.0
Sales Conditions valid as of 01.06.2020